Idaho Economic Forecast

DIRK KEMPTHORNE, Governor **Division of Financial Management**

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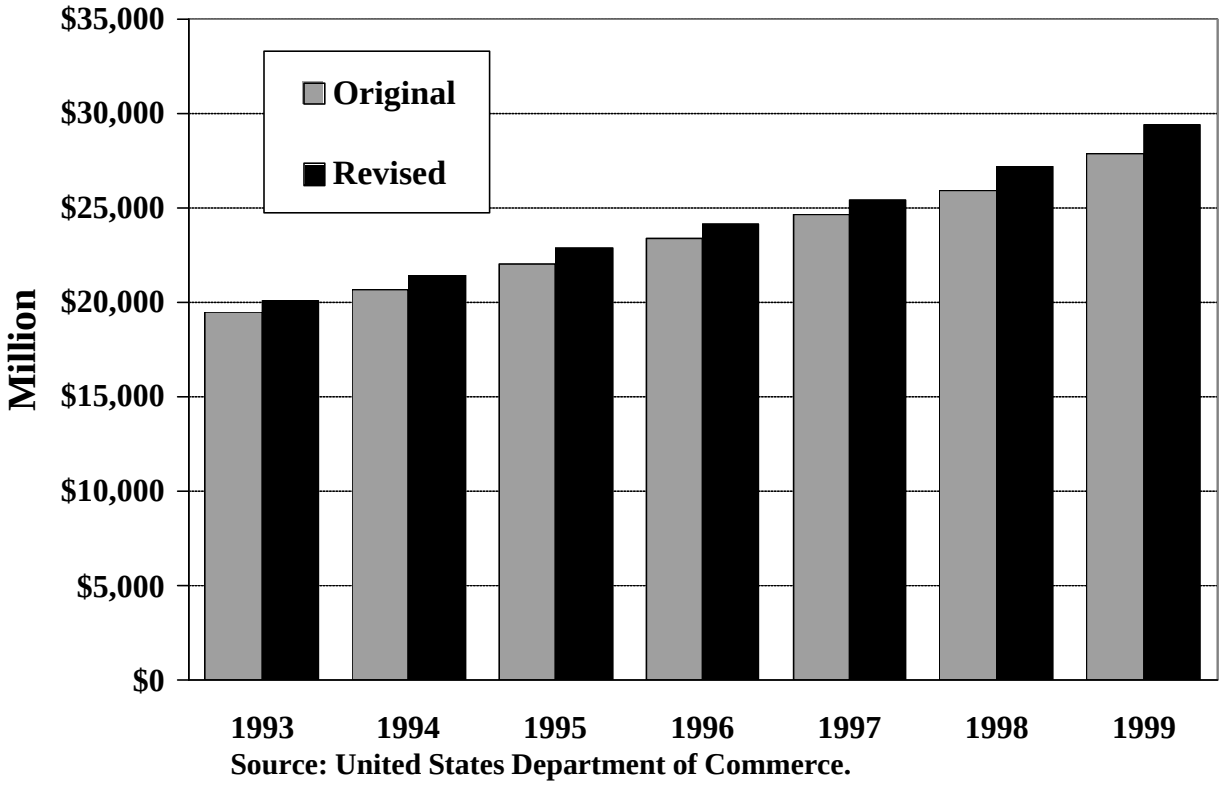
- **Forecast 2000-2003**
- **A Wealth Effect**
- **Alternative Forecasts**

Idaho Nominal Personal Income
Original versus Revised



Source: United States Department of Commerce.

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IDAHO ECONOMIC FORECAST 2000 - 2003

State of Idaho
DIRK KEMPTHORNE
Governor

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PREFACE

Idaho has entered its second century of statehood on solid economic ground. After nearly a decade of stop- and-start economic performance, the 1990s closed with a much-welcomed economic expansion. While not as sharp as the boom years of the 1970s, today's employment and income growth are exceptional in comparison to the 1980s. Much of the current expansion results from Idaho's successful adjustment (and sometimes painful restructuring) of its key basic industries.

The State's traditional industries - such as lumber and wood products, food processing, and mining - have become more competitive. The high-tech sector, which includes Hewlett-Packard, Zilog, and Micron Technology, has bucked recent national trends and undergone substantial expansion. In addition, the tourism and travel sectors have benefited from past investments in such projects as the Coeur d'Alene Resort, the convention centers in Boise and Nampa, and the Kellogg Gondola. Thus, the restructured Idaho economy is better positioned to exploit growth opportunities that will arise this decade, and is expected to sustain solid growth well through the first decade of the new millennium.

A particularly satisfying aspect of the Gem State's passage into the 1990s is the broad base of economic health in Idaho today. Tourism, high-tech manufacturing, and the commercial sectors are thriving. After persevering through hard times, more Idahoans are enjoying the benefits of the state's economic success on a wide geographical basis. Many of Idaho's rural communities that lagged urban growth rates during the 1980s have grown recently. Almost two-thirds of Idaho cities lost population during the previous decade. Many are now rebounding.

While many changes are taking place today, other traditional factors still hold firm – most notably, Idaho's economy remains directly tied to its resource base. While displaying more resilience to downturns than in the past, these industries are not totally immune from business-cycle effects. This heavy dependency on natural resources will bring a host of challenges as Idaho enters the next century. These include competition among agriculture, fisheries, and expanding population needs for water and energy; the environmental impacts of the economically important mining, timber, agricultural, and tourism industries; and the many other pressures of an expanding population on the state's natural and fiscal resources.

Other factors that are external to the state's economy will present challenges this decade to public and private decision makers. Public policy decisions made in Washington, D.C. affect resource industry and federal installations such as the Idaho National Engineering and Environmental Laboratory near Idaho Falls and the Mountain Home Air Force Base. Finding balanced and acceptable solutions to endangered and threatened species issues and timber supply issues are of major economic significance.

In order to deal effectively with these challenges, public and private decisions need to be made with a thorough understanding of the structure of the state's economy. It is to this end that the *Idaho Economic Forecast* is directed.

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INTRODUCTION

The national forecast presented in this publication is the June 2000 Standard and Poor's DRI baseline forecast of the U.S. economy. The April 2000 *Idaho Economic Forecast* is based on the March 2000 DRI national forecast.

As the cover chart shows, Idaho personal income has undergone significant revisions since the April 2000 forecast was released. For example, 1998 Idaho nominal personal income is now estimated at $27.2 billion, which is $1.3 billion more than had been reported previously. A large portion of this increase reflects the inclusion of government retirement funds in personal income. In addition, farm proprietors' income was revised upwards.

FEATURE

American consumers have been on quite a spending spree for the last few years. Economists have examined many factors in an attempt to explain why consumers have been so willing to live beyond their means. One reason cited for this spendthrift behavior is the so-called "wealth effect." In simple terms, consumers have seen the value of both their financial and non-financial assets soar recently, which has them feeling richer. The richer they feel, the more consumers spend. This *Forecast's* feature article attempts to measure the impact of the wealth effect. This article is reprinted from the Federal Reserve Bank of Atlanta's second quarter 2000 *EconSouth* magazine.

THE FORECAST

Alternative assumptions concerning future movements of key economic variables can lead to major variations in national and/or regional outlooks. DRI examines the effects of different economic scenarios, including the potential impacts of international recessions, higher inflation, and future Federal Reserve Board decisions. Alternative Idaho economic forecasts were developed under different policy and growth scenarios at the national level. These forecasts are described in the text.

Historical and forecast data for Idaho and the U.S. are presented in the tables in the middle section of this report. Detail is provided for every year from 1984 to 2003 and for every quarter from 1997 through 2002. The solution of the Idaho Economic Model for this forecast begins with the first quarter of 2000.

Descriptions of the DRI U.S. Macroeconomic Model and the Idaho Economic Model are provided in the Appendix. Equations of the Idaho Economic Model and variable definitions are listed in the last pages of this publication.

CHANGES

The employment numbers that appear in this publication are based on monthly data supplied by the Idaho Department of Labor. These data extend through the first quarter of 2000. The estimates for all the months of 1999 have been benchmarked. The monthly estimates for the first quarter of 2000 are preliminary. All the monthly data have been seasonally adjusted and converted into quarterly estimates by the Division of Financial Management (DFM).

In April 2000, it was reported that nonfarm employment would grow at a 4.4% annual pace in the fourth quarter of 1999 and 3.8% in the first quarter of this year. The most recent release of Idaho Department of

Labor data show that fourth quarter job growth was 3.1%, which was slightly slower than had been estimated previously. However, the first quarter data show that employment expanded at a 5.8% annual pace, which was well above the previous estimate of 3.8%. The net result of these changes is the current estimate of Idaho nonfarm employment in the first quarter of 2000 is about 1,000 higher than had been forecast in April 2000.

The tables in this forecast include the U.S. Department of Commerce's Bureau of Economic Analysis' (BEA) estimates of Idaho quarterly personal income through the fourth quarter of 1999. The BEA is scheduled to release its next round of Idaho personal income estimates in late July 2000. These estimates will run through the first quarter of 2000.

The *Idaho Economic Forecast* is available on the Internet at http://www.state.id.us/dfm/econinfo.htm. Readers with any questions should contact Derek Santos at (208) 334-3900 or at dsantos@dfm.state.id.us.

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EXECUTIVE SUMMARY

This year promises to be another banner one for the Idaho economy, with growth topping last year's surprisingly strong showing. Most of this growth should come in the first half of this year. Job growth is already off to a strong start. Preliminary evidence shows that Idaho nonfarm employment increased at a 5.8% annual rate in the first quarter of this year—its strongest showing in recent history. Idaho's recent economic strength can also be seen in the personal income numbers. In April 2000, the U.S. Bureau of Economic Analysis reported that Idaho nominal personal income increased 8.0% in 1999, which was its strongest showing since 1990. Readers should note that some of this increase reflects a huge upward revision to Idaho personal income. The current forecast calls for the number of nonfarm jobs in the Gem State to advance 3.6% in 2000. Idaho's growth is expected to slow over the forecast period. Specifically, Idaho annual nonfarm employment growth should average about 2.4% after this year. This will be about twice as fast as national employment is projected to grow. After rising 7.3% in 2000, Idaho nominal personal income should average about 6.0% growth per year through 2003. This will be about one-half percentage point higher than is expected at the national level.

The Federal Reserve is attempting to execute an unprecedented second "soft landing." Last June, the nation's central bank began raising interest rates in order to prevent the U.S. economy from overheating. A year later, recent signs in employment, housing, and consumer demand all suggest the impacts of the Federal Reserve's current round of tightening are arriving right on schedule. (The normal lag for interest rate movements is 9 to 12 months.) In May 2000, the U.S. unemployment rate inched back above 4.0%. Even with this rise, the U.S. labor market remains extremely tight. The housing market is the most sensitive sector of the economy. This spring, housing sales showed signs of weakening. For example, new home sales dropped 5.8% in April 2000. This forecast assumes the Federal Reserve will succeed in its second soft landing. Therefore, no recession is expected over the forecast period.

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JULY 2000

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
GDP (BILLIONS)										
Current $	7,031	7,401	7,813	8,301	8,760	9,256	9,908	10,395	10,916	11,523
% Ch	*7.2%*	*5.3%*	*5.6%*	*6.2%*	*5.5%*	*5.7%*	*7.0%*	*4.9%*	*5.0%*	*5.6%*
1992 Chain-Weighted	6,720	6,929	7,176	7,481	7,803	8,127	8,523	8,778	9,053	9,365
% Ch	*5.2%*	*3.1%*	*3.6%*	*4.2%*	*4.3%*	*4.1%*	*4.9%*	*3.0%*	*3.1%*	*3.5%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	21,399	22,869	24,174	25,440	27,177	29,347	31,482	33,438	35,431	37,557
% Ch	*6.4%*	*6.9%*	*5.7%*	*5.2%*	*6.8%*	*8.0%*	*7.3%*	*6.2%*	*6.0%*	*6.0%*
Idaho Nonfarm (Millions)	20,706	22,073	23,298	24,791	26,310	28,175	30,345	32,291	34,266	36,368
% Ch	*8.7%*	*6.6%*	*5.6%*	*6.4%*	*6.1%*	*7.1%*	*7.7%*	*6.4%*	*6.1%*	*6.1%*
U.S. (Billions)	5,855	6,201	6,547	6,951	7,359	7,792	8,282	8,780	9,242	9,740
% Ch	*6.8%*	*5.9%*	*5.6%*	*6.2%*	*5.9%*	*5.9%*	*6.3%*	*6.0%*	*5.3%*	*5.4%*
PERSONAL INCOME - 1992 $										
Idaho (Millions)	20,460	21,402	22,148	22,856	24,190	25,712	26,919	28,035	29,021	30,020
% Ch	*4.5%*	*4.6%*	*3.5%*	*3.2%*	*5.8%*	*6.3%*	*4.7%*	*4.1%*	*3.5%*	*3.4%*
Idaho Nonfarm (Millions)	19,796	20,657	21,345	22,273	23,418	24,685	25,947	27,074	28,067	29,070
% Ch	*6.8%*	*4.3%*	*3.3%*	*4.3%*	*5.1%*	*5.4%*	*5.1%*	*4.3%*	*3.7%*	*3.6%*
U.S. (Billions)	5,598	5,803	5,998	6,245	6,550	6,826	7,085	7,366	7,575	7,791
% Ch	*4.9%*	*3.7%*	*3.4%*	*4.1%*	*4.9%*	*4.2%*	*3.8%*	*4.0%*	*2.8%*	*2.8%*
HOUSING STARTS										
Idaho	12,767	9,361	9,222	8,857	10,117	10,324	10,624	10,352	10,084	9,956
% Ch	*11.4%*	*-26.7%*	*-1.5%*	*-4.0%*	*14.2%*	*2.0%*	*2.9%*	*-2.6%*	*-2.6%*	*-1.3%*
U.S. (Millions)	1.446	1.361	1.469	1.475	1.621	1.676	1.652	1.519	1.488	1.536
% Ch	*12.0%*	*-5.9%*	*7.9%*	*0.4%*	*9.9%*	*3.4%*	*-1.4%*	*-8.1%*	*-2.0%*	*3.3%*
TOTAL NONFARM EMPLOYMENT										
Idaho (Thousands)	461.2	477.4	492.6	508.8	521.6	539.1	558.7	571.7	585.7	599.9
% Ch	*5.6%*	*3.5%*	*3.2%*	*3.3%*	*2.5%*	*3.4%*	*3.6%*	*2.3%*	*2.4%*	*2.4%*
U.S. (Millions)	114.1	117.2	119.6	122.7	125.8	128.8	131.7	133.7	135.0	136.6
% Ch	*3.1%*	*2.7%*	*2.1%*	*2.6%*	*2.6%*	*2.3%*	*2.3%*	*1.5%*	*1.0%*	*1.2%*
FINANCIAL MARKETS										
Federal Funds Rate	*4.2%*	*5.8%*	*5.3%*	*5.5%*	*5.4%*	*5.0%*	*6.4%*	*6.8%*	*6.5%*	*6.1%*
Bank Prime Rate	*7.1%*	*8.8%*	*8.3%*	*8.4%*	*8.4%*	*8.0%*	*9.4%*	*9.8%*	*9.5%*	*9.1%*
Mort Rate, New Homes	*7.5%*	*7.9%*	*7.8%*	*7.7%*	*7.1%*	*7.1%*	*8.0%*	*8.4%*	*8.2%*	*7.9%*
INFLATION										
GDP Price Deflator	*1.9%*	*2.1%*	*1.9%*	*1.9%*	*1.2%*	*1.4%*	*2.1%*	*1.9%*	*1.8%*	*2.0%*
Personal Cons Deflator	*1.9%*	*2.2%*	*2.1%*	*2.0%*	*0.9%*	*1.6%*	*2.5%*	*2.0%*	*2.4%*	*2.5%*
Consumer Price Index	*2.6%*	*2.8%*	*2.9%*	*2.3%*	*1.6%*	*2.2%*	*3.2%*	*2.4%*	*2.5%*	*2.6%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

EXECUTIVE SUMMARY

JULY 2000

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GDP (BILLIONS)												
Current $	9,698	9,854	9,978	10,102	10,235	10,336	10,446	10,563	10,698	10,834	10,982	11,150
% Ch	*8.2%*	*6.6%*	*5.1%*	*5.1%*	*5.4%*	*4.0%*	*4.3%*	*4.6%*	*5.2%*	*5.2%*	*5.6%*	*6.3%*
1992 Chain-Weighted	8,410	8,495	8,557	8,628	8,697	8,747	8,803	8,866	8,934	9,007	9,088	9,183
% Ch	*5.4%*	*4.1%*	*3.0%*	*3.4%*	*3.2%*	*2.3%*	*2.6%*	*2.9%*	*3.1%*	*3.3%*	*3.7%*	*4.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	30,742	31,263	31,731	32,193	32,692	33,200	33,685	34,173	34,676	35,174	35,676	36,198
% Ch	*8.6%*	*6.9%*	*6.1%*	*5.9%*	*6.4%*	*6.4%*	*6.0%*	*5.9%*	*6.0%*	*5.9%*	*5.8%*	*6.0%*
Idaho Nonfarm (Millions)	29,581	30,131	30,610	31,059	31,594	32,061	32,522	32,989	33,504	34,009	34,514	35,039
% Ch	*9.0%*	*7.7%*	*6.5%*	*6.0%*	*7.1%*	*6.1%*	*5.9%*	*5.9%*	*6.4%*	*6.2%*	*6.1%*	*6.2%*
U.S. (Billions)	8,093	8,222	8,347	8,466	8,608	8,726	8,837	8,949	9,070	9,183	9,295	9,420
% Ch	*6.1%*	*6.6%*	*6.2%*	*5.8%*	*6.9%*	*5.6%*	*5.2%*	*5.2%*	*5.5%*	*5.1%*	*5.0%*	*5.5%*
PERSONAL INCOME - 1992 $												
Idaho (Millions)	26,510	26,776	27,047	27,344	27,627	27,914	28,173	28,424	28,668	28,903	29,134	29,378
% Ch	*5.3%*	*4.1%*	*4.1%*	*4.5%*	*4.2%*	*4.2%*	*3.8%*	*3.6%*	*3.5%*	*3.3%*	*3.2%*	*3.4%*
Idaho Nonfarm (Millions)	25,509	25,807	26,091	26,381	26,699	26,956	27,201	27,440	27,699	27,945	28,185	28,437
% Ch	*5.7%*	*4.8%*	*4.5%*	*4.5%*	*4.9%*	*3.9%*	*3.7%*	*3.6%*	*3.8%*	*3.6%*	*3.5%*	*3.6%*
U.S. (Billions)	6,978	7,047	7,120	7,196	7,279	7,342	7,396	7,449	7,504	7,551	7,596	7,650
% Ch	*2.9%*	*4.0%*	*4.2%*	*4.3%*	*4.7%*	*3.5%*	*3.0%*	*2.9%*	*3.0%*	*2.6%*	*2.4%*	*2.9%*
HOUSING STARTS												
Idaho	10,825	10,551	10,547	10,572	10,511	10,449	10,310	10,136	10,068	10,055	10,090	10,121
% Ch	*15.7%*	*-9.7%*	*-0.2%*	*1.0%*	*-2.3%*	*-2.4%*	*-5.2%*	*-6.6%*	*-2.7%*	*-0.5%*	*1.4%*	*1.2%*
U.S. (Millions)	1.728	1.686	1.613	1.582	1.569	1.536	1.494	1.476	1.477	1.483	1.488	1.503
% Ch	*9.5%*	*-9.3%*	*-16.4%*	*-7.3%*	*-3.3%*	*-8.1%*	*-10.6%*	*-4.7%*	*0.2%*	*1.6%*	*1.3%*	*4.2%*
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	553.7	558.2	560.2	562.7	566.4	570.1	573.5	576.8	580.2	583.9	587.5	591.2
% Ch	*5.8%*	*3.3%*	*1.4%*	*1.8%*	*2.6%*	*2.7%*	*2.4%*	*2.4%*	*2.4%*	*2.5%*	*2.5%*	*2.5%*
U.S. (Millions)	130.6	131.6	132.0	132.6	133.1	133.5	133.9	134.2	134.5	134.9	135.2	135.6
% Ch	*2.6%*	*3.2%*	*1.1%*	*1.8%*	*1.7%*	*1.2%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.3%*
FINANCIAL MARKETS												
Federal Funds Rate	*5.7%*	*6.3%*	*6.7%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.8%*	*6.7%*	*6.5%*	*6.5%*	*6.4%*
Bank Prime Rate	*8.7%*	*9.2%*	*9.7%*	*9.7%*	*9.8%*	*9.8%*	*9.8%*	*9.8%*	*9.7%*	*9.5%*	*9.5%*	*9.3%*
Mort Rate, New Homes	*7.5%*	*8.1%*	*8.3%*	*8.3%*	*8.4%*	*8.4%*	*8.4%*	*8.4%*	*8.4%*	*8.3%*	*8.2%*	*8.1%*
INFLATION												
GDP Price Deflator	*2.7%*	*2.8%*	*2.1%*	*1.7%*	*2.1%*	*1.7%*	*1.7%*	*1.7%*	*2.1%*	*1.8%*	*1.9%*	*2.0%*
Personal Cons Deflator	*3.1%*	*2.8%*	*1.9%*	*1.4%*	*2.1%*	*2.1%*	*2.1%*	*2.2%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*
Consumer Price Index	*4.0%*	*3.8%*	*2.6%*	*1.7%*	*2.4%*	*2.4%*	*2.4%*	*2.4%*	*2.5%*	*2.6%*	*2.6%*	*2.6%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

NATIONAL FORECAST DESCRIPTION
The Forecast Period is the First Quarter of 2000 to the Fourth Quarter of 2003

The Federal Reserve is attempting to execute an unprecedented second "soft landing." Last June, the nation's central bank began raising interest rates in order to prevent the U.S. economy from overheating. A year later, recent signs in employment, housing, and consumer demand all suggest the impacts of the Federal Reserve's current round of tightening are arriving right on schedule. (The normal lag for interest rate movements is 9 to 12 months.) In May 2000, the U.S. unemployment rate inched back above 4.0%. Even with this rise, the U.S. labor market remains extremely tight. The housing market is the most sensitive sector of the economy. This spring, housing sales showed signs of weakening. For example, new home sales dropped 5.8% in April 2000. This forecast assumes the Federal Reserve will succeed in its second soft landing. As such, no recession is expected over the forecast period.

As with any difficult maneuver, a successful soft landing is not guaranteed. The Federal Reserve seems to have pulled off the slowing down stage. However, it now must prevent this controlled descent from turning into a free fall. The soft landing will be complicated by three factors. They are: inflation, debt, and the stock market.

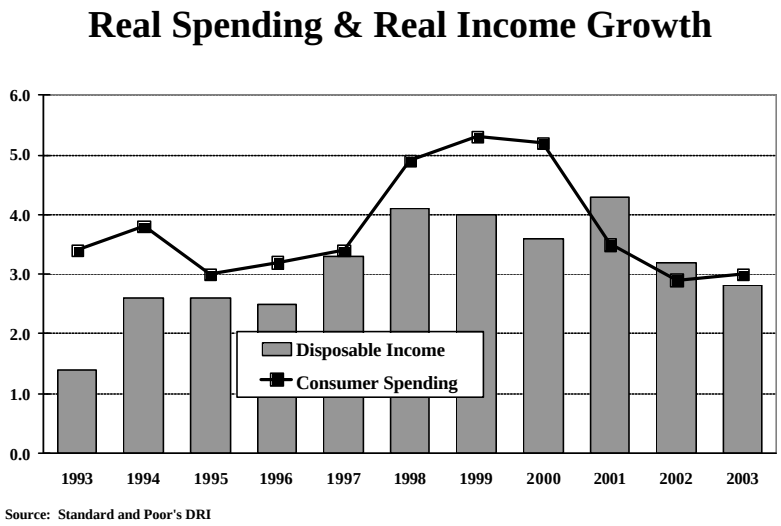
The major worry for the Federal Reserve is inflation. Signs of inflation had been sparse. But recently, there has been acceleration in both employment costs and core consumer prices. The former is partly the result of the higher wages dictated by the tight labor market. In addition, employer costs are also feeling the pressure of rising health care costs. Another major inflation threat comes from commodity and import prices. The price of crude oil soared above $30 per barrel this spring. Gasoline rose above $2 per gallon in some U.S. markets, as inventories remained low. Natural gas prices jumped because of its rising use for electricity generation. Spot electricity prices rose several fold due to strong demand and capacity limitations. The low inflation of recent years has given the Federal Reserve ample room to implement its policies. But the new rising inflationary pressures will reduce the Federal Reserve's margin of error.

The high levels of debt are another potential problem for the U.S. economy. The ratio of debt to book value for corporations is rising, while the ratio of household debt to income is at a record level. In 1999, a record 103 rated corporations defaulted worldwide, with 75 of these in the U.S. The number of household bankruptcies declined from 1998 to 1999, but still remained high. Despite its current levels, debt is unlikely to cause a recession. More likely, the high level of debt could cause the number of defaults and bankruptcies to rise sharply in the event of a recession. This disproportionate negative impact on consumer spending and corporate investment would exacerbate an economic downturn.

The stock market is also an uncertainty. Over the last few years, the stock market has created a surge in wealth that has more than offset the higher debt. But the strong run of double-digit growth appears to be over. At one point this spring, the capitalization rate for the total U.S. stock market had dropped by almost $2 trillion. The question is how will this affect consumers and corporations. It has had limited impact so far. Consumer confidence remains strong. This is because consumers regard these set-backs to be temporary. Another reason consumers have not retreated is because stock market declines have been highly localized. Technology stocks have taken the hardest hit, but any decline must be measured against the 500% gain these stocks enjoyed since 1996. More traditional stocks experienced much smaller declines. At this point, it is unlikely that a stock market correction will trigger a recession.

SELECTED NATIONAL ECONOMIC INDICATORS

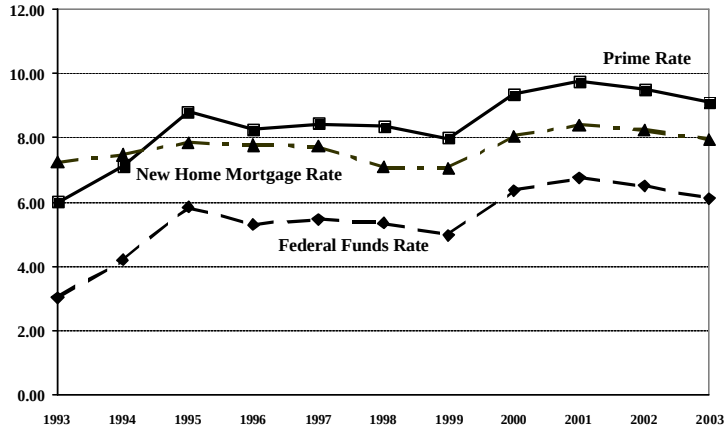
Consumer Spending: Real consumer spending is forecast to cool considerably later this year. Fueled by a strong showing from its durable goods category, real spending advanced at an impressive 7.5% annual rate during the first quarter of 2000. The 22.4% jump in spending on real durable goods reflected healthy increases in all of its components. Computers displayed the strongest growth, with a 49.5% annual pace. Motor vehicle and parts spending rose an astounding 27.7%, as Americans bought cars and light trucks at an 18.3 million-unit annual rate. Auto sales did slip 2% in May 2000, but from such a high level that manufacturers are still finding it hard to keep up with demand. Capacity utilization by auto and light truck manufacturers was running at 90% in early summer—a level not seen since the late 1970s, when manufacturers were pushing out small cars to help motorists cope with high gasoline prices. The difference this time is automakers are scrambling to meet the demand for light trucks. Furniture sales climbed thanks to booming home sales. The strong showing in durable goods spending reflects consumers' optimism. The University of Michigan's Index of Consumer Sentiment was still well above 100% in early 2000. This positive outlook suggests the momentum from recent good times have somewhat offset the negative impacts from rising interest rates and fuel prices. Indeed, real spending got little support from real disposable income that grew a paltry 2.2% during this year's first quarter. The current forecast calls for consumer confidence to fall gradually beginning in the second half of this year. As durable goods has benefited from strong consumer sentiment, it will be hurt as it cools. For example, after opening this year with a 22.4% growth pace, real durable goods spending should close the year at a 4.9% rate. Thanks to the first quarter's strong showing, real spending on durable goods should average 10.2% growth in 2000. Growth is lower in the remaining years of the forecast. As the consumer sentiment index drops from 109.1 in 2000 to 96.0 in 2003, real durable goods spending growth is forecast to slow from 10.2% to 5.2%. As a result, the pace of total real consumer spending should more closely track gains in real disposable income. Specifically, real disposable income is projected to rise 3.6% this year, 4.3% next year, 3.2% in 2002, and 2.8% in 2003. Real personal consumption should increase 5.2% in 2000, 3.5% in 2001, 2.9% in 2002, and 3.0% in 2003. As a result of the slower spending, the growth of outstanding credit should cool. Thus, the ratio of credit to disposable income should decline to 20.0% in 2003 after peaking at 20.8% in 2000. The personal savings rate should raise from this year's projected 0.8% to 1.4% in 2003.



Financial: The Federal Reserve is in the endgame of its current round of tightening. The nation's central bank began raising its federal funds rate in June 1999 in an attempt to cool the overheating economy. From the spring of 1999 to its last increase in May of this year, the federal funds rate has risen from 4.75% to 6.50%. It passed on its opportunity in June to raise this bellwether rate. There are several reasons for this. First, there were signs earlier this summer that the U.S. economy was already slowing. Both the weak May employment report and recent housing numbers suggest that about a year after its first action, the central bank's brakes are starting to hold. This slowing is right on schedule. A rule of thumb is that the first signs of slowing occur about a year to 18 months after the Federal

Reserve begins tightening. Second, despite the hot economy, inflation remains relatively subdued, and this has provided the Federal Reserve with some room in which to maneuver. Third, the Federal Reserve is keenly aware that while the nominal federal funds rate is not high compared to past peaks, it is very high in real terms (nominal interest rate less inflation). In fact, the last time the real rate was this high was in 1989. Despite these factors, the Federal Reserve will likely take out some extra insurance by raising the federal funds rate another quarter point. Since the central bank traditionally avoids taking action during a presidential election, a change during the fall campaign season seems unlikely. Instead, a rate change could come as early as August or right after the election. The federal funds rate should run about 6.75% during 2001. The Federal Reserve is expected to gradually ease the monetary reins beginning in 2002, once it is convinced it has pulled off an unprecedented second soft landing. By almost all measures, the stock market is overvalued. Almost all of that overvaluation can be traced to technology stocks. While this category of stock has run far ahead of more traditional stocks, their course has also been bumpier. For example, the Dow Index of 30 Industrials was just 8% below its January peak last spring. In comparison, the tech-laden NASDAQ was down nearly 24% in June 2000 from March 2000. <u>After rising by 20% annually over the last five years, the U.S. stock market should slow. The S&P 500 is expected to rise 10.6% in 2000, 9.1% in 2001, 3.6% in 2002, and 11.3% in 2003.</u>

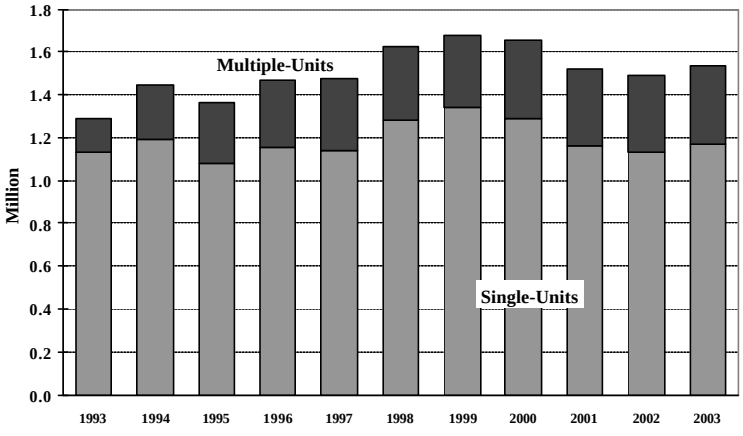
Selected Interest Rates



Source: Standard and Poor's DRI

Housing: The U.S housing sector began to display a few signs of slowing this spring. This was expected given the steady rise in mortgage interest rates. What has been surprising is that these increases have not taken a higher toll on this interest-sensitive industry. The mortgage rate for existing homes has risen from 6.88% in the last quarter of 1998 to approximately 8.20% in the second quarter of 2000. The U.S. Census Bureau reported sales of new one-family homes in May 2000 were at a seasonally adjusted annual rate of 875,000 units. This was about the same as the April 2000 rate of 877,000 units and just 2% below the previous May's 896,000 rate. According to the Census, privately owned housing starts in May 2000 were at a seasonally adjusted annual rate of 1.59 million units. This is lower than both the April 2000 pace (1.66 million units) and the May 1999 rate (1.65 million units). However, it is difficult to determine how much of this decline is due to higher interest rates versus the impact of unusual seasonal factors. The warm winter probably advanced some housing starts that would have occurred in the spring and early summer into the winter. This can be seen by comparing this year's cumulative housing start data against last year's data. By using the cumulative data, the effects of seasonal factors are smoothed out. During the first five months of 2000,

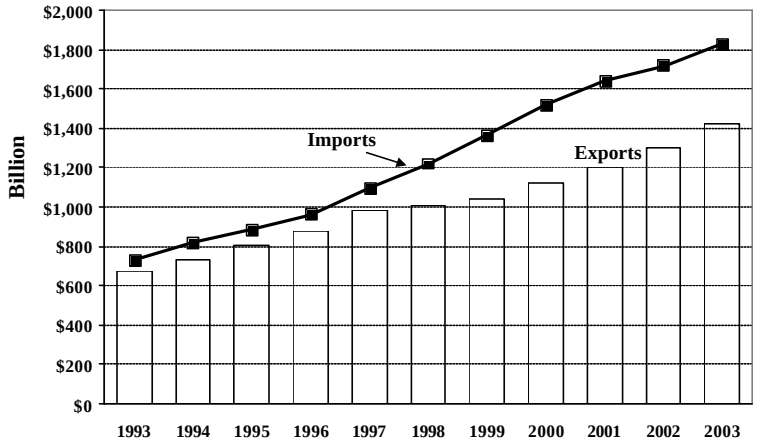
U.S. Housing Starts



Source: Standard and Poor's DRI

there were 671,300 housing units started. This was virtually identical as the 671,600 units started during the same period last year. There are several reasons the U.S. housing sector continued to perform well in 2000 despite rising mortgage interest rates. First, the so-called "fence-sitters" jumped to lock in rates at the first sign they were on the rise. This boosted starts and sales. Second, housing buyers turned from fixed-rate mortgages to adjustable rate mortgages. The latter has become much cheaper than fixed-rate mortgages over the last few months. Third, housing has become increasingly affordable over recent years. Specifically, the effective after-tax cost of single family housing as a percent of disposable income is an estimated 25.6% in 2000 compared to almost 50% in the early 1980s. Housing should remain affordable through the forecast period, which will dampen the impacts of negative factors affecting the housing sector. U.S. housing starts are forecast to be 1.65 million units in 2000, 1.52 million units in 2001, 1.49 million units in 2002, and 1.88 million units in 2003. Interestingly, not all components have been immune from higher interest rates. Mobile homes tend to be purchased by households with lower discretionary income. As such, they tend to be more sensitive to interest rate changes, especially given the fact that rates on prefabricated homes tend to be much higher than those on site built homes. As a result, mobile home sales so far this year are down over 20.0% from last year. Mobile home shipments are expected to be 0.31 million units in 2000, 0.32 million units in 2001, 0.34 million units in 2002, and 0.35 million units in 2003.

Real U.S. Imports and Exports

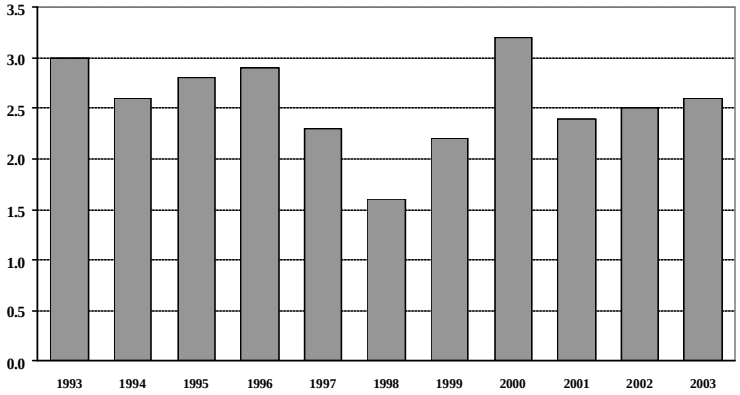


Source: Standard & Poor's DRI

International: The U.S. real trade deficit is forecast to increase through 2002. This should not come as a surprise. Over the past few years, America has not only been the world's largest economy, but also its healthiest. This situation favored the flow of goods into the U.S. As a result, the real trade deficit rose from about $20 billion in 1992 to $323 billion in 1999. It is expected to swell to nearly $400 billion this year. With the Asian and Russian financial crises behind, and as the U.S. economy cools, the scales will once again tip in favor of U.S. exports. However, those expecting a quick reduction in the trade deficit will be disappointed because these turnarounds tend to have the turning radius of a super tanker. One thing hindering the reversal is the stubbornly high oil prices that will inflate the nation's import bill. The Canadian economy should be a slightly muted echo of the U.S. economy. Like the U.S., Canada has enjoyed strong, balanced growth in recent years. It, too, is expected to cool over the next few years. Specifically, after increasing 4.0% in 2000 and 3.0% in 2001, Canadian real GDP is forecast to average 2.9% during 2002-04. This is slightly off the U.S. pace. Mexico is anticipated to grow faster than the U.S. Its real GDP is projected to grow 5.8% in 2000, 3.6% in 2001, and average 4.7% from 2002 to 2004. Having shaken off its recent setbacks, South America will grow slightly faster than Mexico. The outlook for another major trade partner, Japan, is not as bright. Despite some signs of life earlier this year, Japan's economy should remain in the doldrums over the forecast period. Its real GDP should advance 0.9% this year, 0.7% next year, and average 1.3% thereafter. The strongest growth will be found in the so-called "Little Tigers." These smaller Asian economies (Indonesia, Malaysia, Philippines, Taiwan, and Thailand) will average between 6.0% and 7.0% real GDP growth from 2000 to 2004. Over the forecast period, the real U.S. trade deficit will go from nearly $400 billion in 2000, to $437 billion in 2001, to $415 billion in 2002, and to $404 billion in 2003.

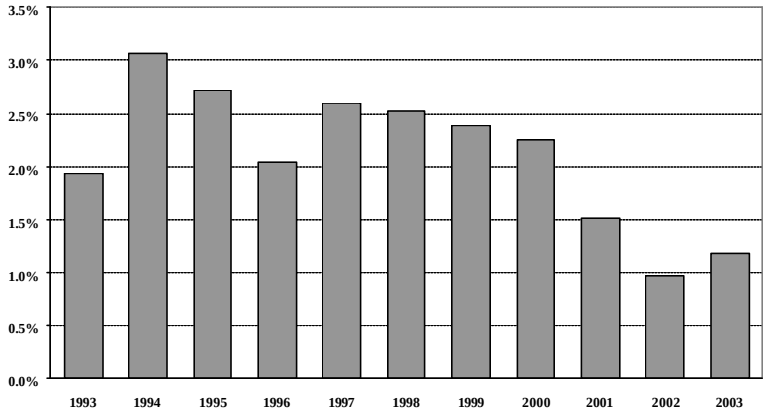
Inflation: Inflation rumblings are getting louder. Until about six months ago, signs of inflation were sparse. Since then, however, both employment costs and core consumer prices have accelerated. Of these two, the pickup in employment costs is the most troubling. There are two reasons for the acceleration of these costs. First, the tightness of the labor markets. Second, the increase in health care costs is fueling fringe benefit increases. Previously, the full impacts of these factors were masked by temporary factors. In the case of wages, the primary factor was the substitution of lower skilled workers for scarce higher skilled workers. However, the pool of lower skilled workers has also dried up, and this has put upward pressures on wages. U.S. companies have been adept at keeping their price increases at a minimum in order to remain competitive in the global market. One strategy domestic companies have used to cope is to raise their productivity by investing in capital. In many cases this move was necessary because of the shortage of skilled labor. It was further facilitated by the relatively attractive interest rates over the last few years. Firms have also tried to rein in fringe benefit costs. Some companies have been passing the higher health-care premiums back to their employees by paying a lower share of premiums or by raising copayments or reducing coverage. But this strategy seems to be reaching its limit in such a tight labor market. The allure of quick riches caused some workers in high-tech and Internet businesses to take a chunk of their compensation in stock options instead of wages. However, the disappointing performance of many high-tech stocks has caused a rethinking of this strategy. Another factor driving inflation has been energy costs. Earlier this year, it was believed that oil price spikes would be short-lived. Unfortunately, this has been proven to be wrong. Oil prices soared past $30 per barrel this summer and gasoline prices moved above $2 per gallon in some U.S. cities. The high gasoline prices reflect extremely low inventories. With crude oil at such high prices, U.S. refiners have resisted stocking up on oil. This has created a tight supply of gasoline. Another factor that will raise energy prices this summer is the imbalance of electrical generating capacity to demand. This is because there has been little capacity added over the last year while U.S. demand climbed 4.5% between January and May. As a result, spot on-peak (6am to 10pm) electricity prices are expected to be two to three times higher than normal.

Consumer Price Inflation



Source: Standard and Poor's DRI

U.S. Nonfarm Employment Growth



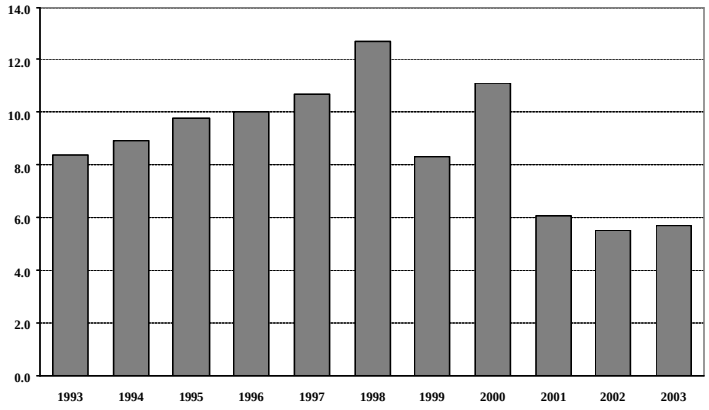
Source: Standard and Poor's DRI

Employment: The U.S. labor market should remain tight over the forecast period. Since October 1999, the jobless rate has hovered between 3.9% and 4.1%. This is well below almost everyone's measure of full employment. It is expected to average 4.0% this year and next. After 2001, the cooling economy will loosen the labor market and the unemployment rate will drift up. However, despite the anticipated increases, the unemployment rate should remain well below the full employment rate. Specifically, DRI estimates the full-unemployment rate to be 5.0%. Even after two years of moving upwards, the unemployment rate is

projected to average just 4.3% in 2003. This tight labor market will contribute to the slower growth of jobs in the U.S. Employers will find it harder and harder to locate employees in this environment. Thus after growing 1.8% in 2000, the number of nonfarm jobs is predicted to advance 1.3% in 2001, 0.9% in 2002, and 1.0% in 2003. The boost employment received this year from Census hiring is almost over. In June 2000, the federal government let go of 190,000 temporary census employees. This loss was more than offset by a 206,000 increase to private sector payrolls, however.

Business Investment: The slowing economy is a threat to real business investment. This is because investment tends to exaggerate the ups and downs of the economy. For example, during the current expansion, investment has outgrown the economy for eight straight years, and has contributed to sharp increases in productivity. In contrast, during the last recession, fixed investment contracted for six consecutive quarters, falling into a much deeper and longer decline then the overall economy. Given rising interest rates, concerns have arisen that investment spending may cool. On net, it appears that a soft landing for investment is the most likely impact of Federal Reserve tightening. However, higher interest rates will not uniformly impact all components of investment. To see this, one needs only look at the four types of investments that have grown fastest over the expansion: computers, software, communication equipment, and light trucks. Nominal spending growth on computers will slow. But keep in mind that this slowdown is from a very high level. Real spending on computers advanced 50% per year over the last few years thanks to falling computer prices. Over the next few years, growth of 20-30% seems more likely. Software spending should be the least impacted by rising interest rates. Over the last three decades software purchases have continued to increase as a share of investment. This category may suffer a slight setback this year. It should be noted that this would be a function of an anticipated price increase, and not higher interest rates. Despite higher interest rates, investment in communication equipment is unlikely to slow in the near future. This is because businesses have too many upgrades to their communication systems in the pipeline. Investment in light trucks will be most affected by higher interest rates because it mainly consists of SUVs purchased by consumers. Not surprisingly, nonresidential construction is also vulnerable to higher interest rates. However, investment in communication-related structures will be less susceptible. The bottom line is that real business fixed investment will cool, but not collapse, during the forecast period. Specifically, after rising 11.1% this year, investment grows 6.1% next year, 5.5% in 2002, and 5.7% in 2003.

Real Business Investment Growth



Source: Standard and Poor's DRI

IDAHO FORECAST DESCRIPTION
The Forecast Period is the First Quarter of 2000 to the Fourth Quarter of 2003

This year promises to be another banner one for the Idaho economy, with growth topping last year's surprisingly strong showing. The seasonally adjusted final data show that Idaho nonfarm employment expanded at a healthy rate of 3.4% in 1999, which was more than twice as strong as the 1.6% growth that had been forecasted in January of that year. The current forecast calls for the number of nonfarm jobs in the Gem State to advance 3.6% in 2000.

Most of this growth should come in the first half of this year. Job growth is already off to a strong start. Preliminary evidence shows that Idaho nonfarm employment increased at a 5.8% annual rate in the first quarter of this year—its strongest showing in recent history. Leading this charge was the goods-producing sector, which added jobs at a 9.2% annual pace. The services-producing sector's employment rose at a 4.9% annual rate in the first quarter. Most of this boost was in this sector's trade, services, and construction components. Some of the first quarter's strength reflected unusual seasonal factors that probably accelerated hiring this year. Thus, hiring that would have taken place later in the year has already taken place. This, along with the slowing national economy, should cause Idaho nonfarm employment growth to cool in the second half of this year.

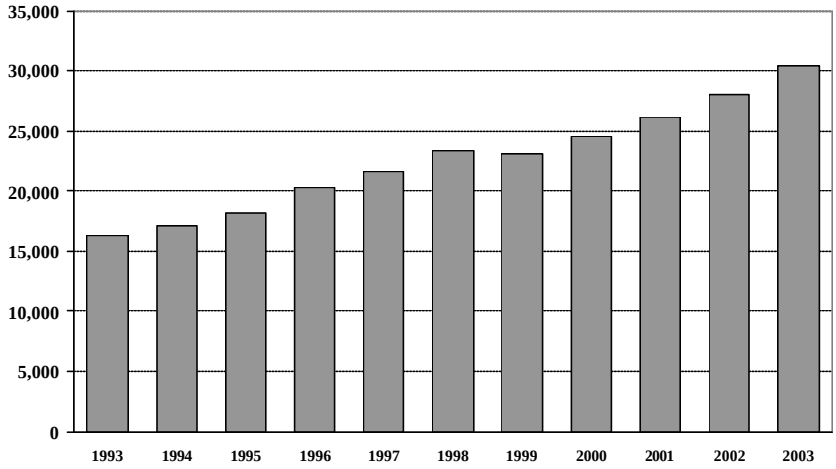
Idaho's recent economic strength can also be seen in the personal income numbers. In April 2000, the U.S. Bureau of Economic Analysis' reported that Idaho nominal personal income increased 8.0% in 1999, which was its strongest showing since 1990. Readers should note that some of this increase reflects a huge upward revision to Idaho personal income. Specifically, the 1999 estimate was increased by over $1.5 billion. Three components played a major role in this change.

The biggest revision was in dividends, interest, and rent, which was boosted nearly $1.3 billion. This change reflects the revised treatment of government retirement plans. The interest and dividends received from these plans are now included in the dividends, interest, and rent component of personal income. This component is further boosted by the inclusion of dividends paid by S-corporations. Previous estimates do not include these contributions. The second biggest change was in farm proprietors' income which was increased by $474 million. It reflects a change in the historical data. Earlier estimates of farm proprietors' income were based on data that underestimated milk prices. After incorporating more current price data, the 1998 estimate of Idaho farm proprietors' income was raised $266 million. Much of this data has been extrapolated into the 1999 estimate. Thus, the 1999 estimate will be revised early next summer when the raw data become available. Third, the other labor income portion was increased $456 million. This change also reflected the new treatment of government retirement plans. The new treatment of government retirement plans contributed to the combined reduction of nearly $850 million in 1999 of the government transfers and social insurance categories of Idaho personal income.

As is the case with the U.S. economy, Idaho's growth is expected to slow over the forecast period. Specifically, Idaho annual nonfarm employment growth should average about 2.4% after this year. This will be about twice as fast as national employment is projected to grow. After rising 7.3% in 2000, Idaho nominal personal income should average about 6.0% growth per year through 2003. This will be about one-half percentage point higher than is expected at the national level.

SELECTED IDAHO ECONOMIC INDICATORS

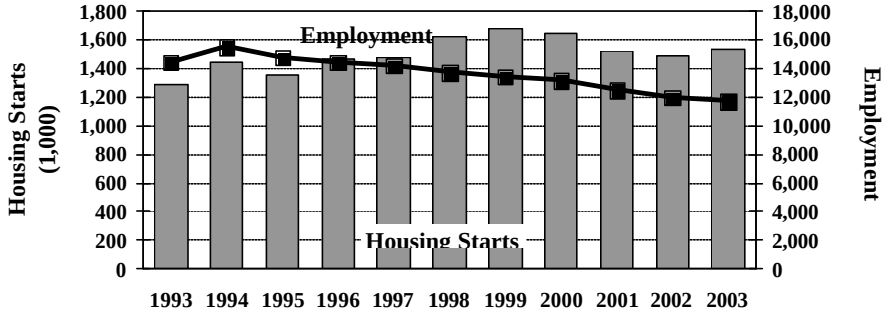
Idaho Electrical & Nonelectrical Employment



Electrical and Nonelectrical Machinery: The outlook for Idaho's electrical and nonelectrical machinery sector is bullish. This assessment reflects the anticipated strong showing in real spending for office equipment and software. Specifically, real domestic spending on equipment and software is forecast to jump 23.7% this year. Investment growth should taper off during the forecast period, but still be at double-digit levels in 2003. In addition, the economic recovery in Asia should further fuel the demand for electronic components. As a result of this sustained growth, the output for this sector should advance at above-average rates. This change appears to have already started. Micron Technology, a world-class manufacturer of computer memory products, reported in its most recent earnings report that semiconductor sales increased over 30% from the previous quarter thanks to stronger shipments. Micron's ability to turn a profit with low market price reflects its position as the world's lowest cost manufacturer of memory products. Higher prices should return when the strong demand sops up the excess capacity that has recently bedeviled this industry. Data from recent years show how quickly capacity has grown. For example, dynamic random access memory (DRAM) capacity in Taiwan increased from 5,000 wafers per month in 1992 to 180,000 wafers per month in 1999. Other Gem State high-tech companies are also looking forward to a brighter future. Less than a year after opening the doors of its new Treasure Valley plant, Jabil Circuit, Inc. has announced plans to double its manufacturing space. Company officials explain that the expansion is in response to anticipated industry growth. This move will also add up to 700 new jobs over the next few years. This would boost employment to about three times its initial level. Jabil began its Idaho operations about two years ago when it acquired the assets (and employees) of Hewlett-Packard's formatter manufacturing operations. The sale of these assets reflected Hewlett-Packard's strategy to refocus the Boise site's mission towards research and development and away from manufacturing. As a result of that move, Hewlett-Packard's employment in Idaho has been relatively stable in recent years. This is a big change from its early 1990's heyday, when the site's employment rose above 5,000, as the company struggled to keep up with demand for its hugely successful LaserJet printers. Since then, employment at the site has settled to about 4,000. Idaho electrical and nonelectrical manufacturing employment is expected to rise 5.9% in 2000, 6.5% in 2001, 7.5% in 2002, and 8.2% in 2003.

Lumber and Wood Products: Employment in the state's lumber and wood products sector is expected to continue to decline over the forecast period. Potlatch Corporation temporarily reduced its work force by 340 employees in June 2000. These workers were recalled in July 2000. The company has announced it will let go of 140 salaried workers this summer. In 1993, the number of jobs in this sector peaked at 15,520. Since then, this sector has suffered annual employment declines. Specifically, from 1994 to 1998, this sector's collective payroll has shrunk by nearly 1,800 positions, with a 500-person drop in 1998 alone. These declines were especially disappointing given the strong U.S. housing market. Despite soaring demand, lumber prices fell. This paradox reflects export markets. U.S. exports

Idaho Lumber & Wood Products Employment and U.S. Housing Starts

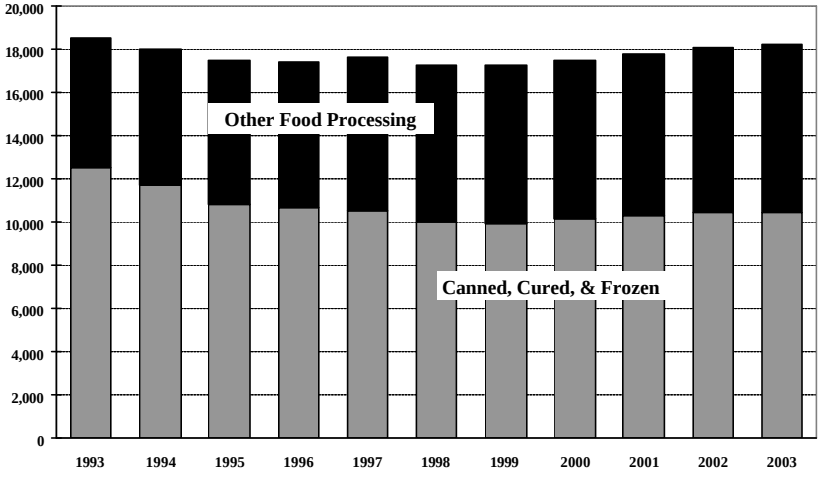


Sources: Standard and Poor's DRI and DFM

in 1998 totaled just over a billion board feet, which was down 31% from 1997 and roughly half its 1994 level. The weakness in export markets reflected plunging demand in Asia. The natural consequence of reduced Asian demand was a North American market awash in supply—and, accordingly, prices declined. Unfortunately, excess supply may be a structural, not a cyclical, problem because of the industry's excess capacity. For example, one estimate shows the industry is already geared up to produce 20-25% more lumber than is being consumed in North America and Asia. This excess capacity will continue to exert negative pressure on prices. The longer term presents it own set of problems. Most notably, employment in the lumber and wood products industry will be constrained by the uncertainties concerning the timber supply from federal forests. According to U.S. Forest Service records, the harvest from Idaho national forests has declined steadily from 810.2 million board feet in 1989 to 239.8 million board feet in 1998. The impact of this reduction is not only measured in lost jobs, but in reduced federal government payments to Idaho local governments. These payments in lieu of taxes have fallen with the harvest. For example, from federal fiscal year 1998 to 1999, the distribution of funds to Idaho forest communities dropped by nearly $5 million, or about 40%. Gem State lumber and wood products employment should slide 1.7% in 2000, 5.1% in 2001, 4.2% in 2002, and 2.2% in 2003.

Food Processing: Idaho's huge food processing sector is forecast to add employees gradually over the forecast period. This is a welcome relief from the recent past in which this important industry's employment base actually shrank. Over 1,000 jobs were lost from 1993 to 1999. While some of this loss was due to business downturns, other factors also played a significant role. For example, J.R. Simplot Company closed one of its two Caldwell, Idaho processing plants during this period. Between 300 and 400 jobs were lost as a result of this closure. Another Gem State food processing player, Ore-Ida, reduced its headquarters' staff by about 100 after it sold its food service division to Canadian food processing giant McCain Foods, Ltd. Unfortunately, the was not that last reduction by Ore-Ida. Approximately 400 Idaho jobs were lost in 1999 when H.J. Heinz Company consolidated Ore-Ida Foods Incorporated and Weight Watchers Gourmet Food Company into the new Heinz Frozen Food Company based in Pittsburgh. Last year was a transition year, when employment stabilized. Barring any unforeseen setbacks, employment should begin growing slowly this year. The state's dairy sector will play a key role in the future. The Salmon

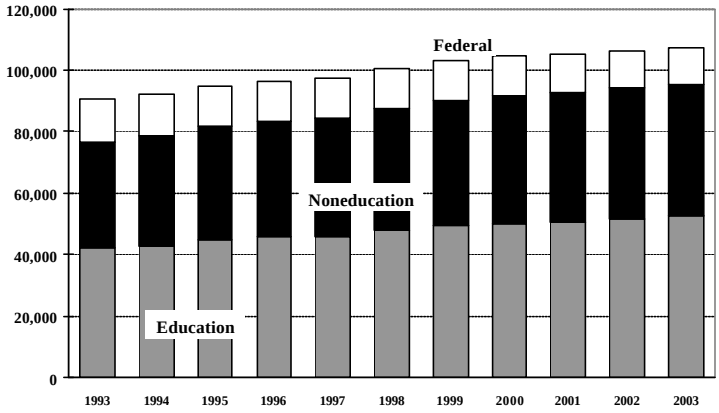
Idaho Food Processing Employment



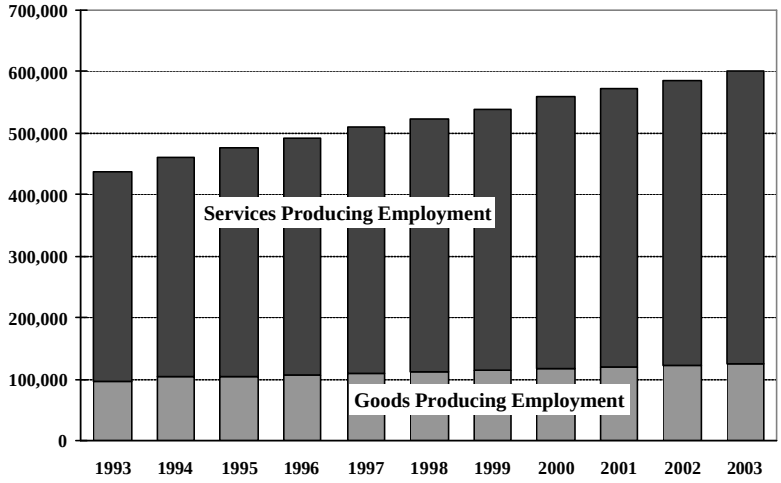
Valley Cheese Factory plans to produce 10 million pounds of cheese annually beginning this summer, and production could expand further in the near future. Glanbia, Inc. recently completed a $33 million expansion to its Gooding cheese processing plant. This facility employs over 200 workers and is capable of processing six million pounds of milk per day. Land O' Lakes also completed a huge expansion to its feed-processing plant in Gooding. Specifically, Idaho food processing employment should advance 0.6% in 2000, 1.7% in 2001, 1.7% in 2002, and 0.7% in 2003.

Federal, State, and Local Governments: Idaho's state and local government employment growth should slow considerably compared to the pace experienced during the first half of the 1990s. Fueled by a rapidly expanding economy and above-average population increases during that period, Idaho local government units struggled to keep up with the climbing demand for services. As a result, Idaho state and local government employment advanced over 3.5% annually during the first half of the decade, which was more than twice the national average. But even at this quick pace, all levels of government were hard pressed to meet the needs of a population that grew as much as three times as fast as its national counterpart. The early 1990s surge in population growth was caused by an influx of newcomers into the state. This occurred because Idaho's economy continued to grow in the early 1990s, while other state's economies faltered. For example, during the 1990-92 period Idaho nonfarm employment rose by 31,300 (8.1%) compared to a loss of 356,300 jobs (-2.5%) in California. As the gap between Idaho's growth rate and other states' rates narrow, net migration into the state should slow, and so should overall population growth. Indeed, the current forecast calls for the state's population growth rate to recede from 1.8% in 2000 to 1.4% in 2003. But this is not the only factor that will limit Idaho state and local government job growth. A state law that caps local government budgets should also keep a lid on government employment gains. This year's growth rate will also be impacted by a series break in the education-related employment data. The Idaho Department of Labor recently detected a data problem that inflated this sector's employment by 2,000 persons. In order to correct this problem, the Department of Labor reduced this employment number by 2,000 beginning in January 2000. As a result of this adjustment, the decline from the last quarter of 1999 to the first quarter of 2000 is exaggerated, and the 1999 to 2000 year-to-year growth is underestimated. Idaho state and local government employment is forecast to increase 0.9% in 2000, 2.0% in 2001, 1.8% in 2002, and 1.7% in 2003. Nationally, state and local government employment is anticipated to rise 1.8% in 2000, 1.7% in 2001, 1.2% in 2002, and 1.0% in 2003. Federal government job increases in Idaho will be hard pressed to match even these reduced growth rates. In fact, this category should see its employment decline from 12,834 in 1999 to 12,065 in 2003. The hiring of Census 2000 workers should provide a pause from this downward trend, but this respite will be temporary. By the second half of this year, Idaho federal employment should resume its downward trend.

Idaho Government Employment

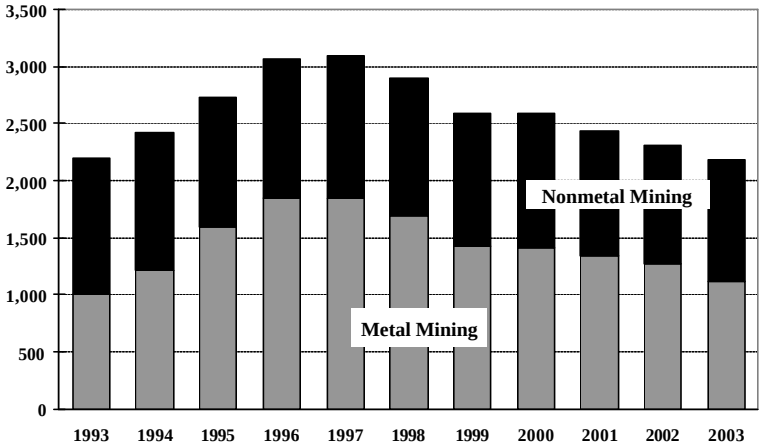


Idaho Nonfarm Employment



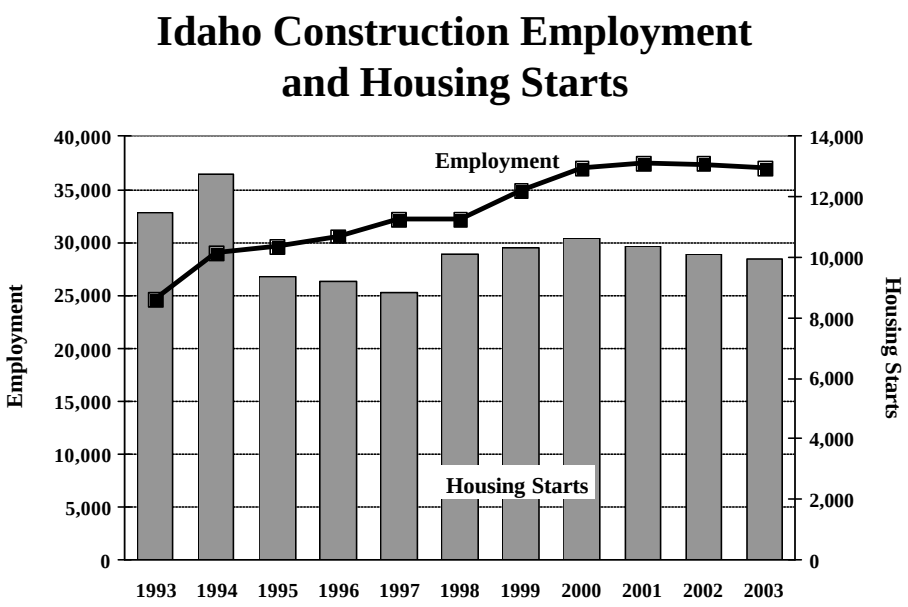
Services-Producing Industries: The giant services-producing sector should remain the state's employment growth pacesetter over the forecast period. This diverse sector accounts for about 80% all nonfarm jobs. It consists of finance, insurance, and real estate; transportation, communications, and public utilities; trade; services; and government. Even when government employment is taken out of the services-producing mix, the remainder still accounts for over 60% of all jobs. One component of the service sectors that has enjoyed stellar growth recently has been communications. Communication employment advanced an astounding 18.6%, thanks in large part to the opening of several new call centers around the state. One of the most pleasing aspects of this growth is how diverse this growth has been. GTE order-processing center in North Idaho, the Carlson Leisure Group call center in the Treasure Valley, and Convergys Call Center in Bannock County. Another source of growth has been business services. This component added nearly 3,000 jobs last year. Part of this increase reflects persons who are contract employees at manufacturing firms. Although they perform manufacturing tasks, they are employed by employment agencies and are counted as business services employees. It should be pointed out that non-economic factors also affect employment levels. For example, there has been a significant drop in the finance, insurance, and real estate category in 1998 compared to the previous year because the U.S. Bureau of Labor Statistics determined that 3,600 of the Idaho jobs reported as noncovered real estate should be classified as self-employed. Overall, services-producing employment is projected to increase 3.6% in 2000, 2.6% in 2001, 2.7% in 2002, and 2.5% in 2003.

Idaho Mining Employment



Mining: Idaho mining employment should experience a much-welcomed pause this year after suffering heavy losses in both 1998 and 1999. Weighed down by setbacks in its metal mining component, total mining employment dropped by about 200 jobs in 1998 and another 320 jobs in 1999. That represents declines of over 6.0% in 1998 and 11.0% in 1999. It is important to note that mining activity is highly localized, so these reductions have had significant impacts in the communities where they occurred. This battered industry's most recent round of woes was due in large part to the Asian economic crises that depressed worldwide commodity prices. For example, lower prices contributed to the decision to cut production and lay off 75 of the 250 employees at the Thompson Creek molybdenum mine and mill in Custer County. The Delemar Mine in Owyhee County fell victim

to low gold prices. However, not all the recent setbacks are due to cyclical factors. For example, some reductions reflect mines coming to the end of their economic lives. The most notable example is Meridian Gold's Beartrack Mine in Lemhi County. After processing nearly 50 million tons of ore and waste, the state's champion gold mine is expected to wind down its operations. This move was no surprise; it was widely known that this mine would last about seven years. After a much-needed breather, the state's mining industry will face future challenges. The expected flattening of the local construction industry will hurt certain nonmetal mining sectors, such as rock quarrying, sand, and gravel. Until prices improve significantly, acreage reductions remain probable, and this could reduce fertilizer demand. This will affect companies in Southeast Idaho where phosphorus ore is mined and fertilizer is manufactured. Mining employment should drop from about 2,600 and 2,200 over the forecast period.



Construction: Construction employment growth should taper off after this year as Gem State housing activity flattens. This growth engine will be missed. A look at the recent past reveals the important role this sector has played in the current expansion. Construction employment was just above 13,000 in 1983, as the U.S. economy climbed out of recession. It took off briefly to about 15,000 in 1985, but retreated to 13,721 in 1987. In 1988, the current recovery took off in earnest. It started slowly at first, with employment growing by just 3.5% in 1988. After this austere beginning, Idaho housing starts increased an astounding 40.2% from 1988 to 1989. This was just the first installment of a six-year run of double-digit growth. By 1994, Idaho housing starts stood at 12,700 units, which were almost four times 1988's 3,334 starts. The boom resulted from Idaho's strong population growth during that period. Because of the dearth of housing starts in the early 1980s, the construction industry found itself in catch-up mode during most of the boom period. This helps explain why there was no serious housing inventory overhang as population growth subsided in the late 1990s. Housing starts did slip 26.7% in 1995, however. Despite this drop, there were still 9,362 starts in 1995. It should also be noted that while housing starts fell in 1995, construction employment continued to grow, reflecting the strength of the nonresidential building sector. Since 1995, construction employment levels have hovered around 32,000, which is more than twice as high as in 1987. Idaho housing starts are forecast to remain near 10,000 units. Construction employment is forecast to hover around 37,000 over the forecast period.

FORECASTS COMPARISON

Idaho has a dynamic economy whose growth is influenced by a myriad of local, national, and international factors. Therefore, changes to the projected values of such diverse variables as oil prices, interest rates, and national housing starts can have an effect at the state level. In order to account for the effects of such changes on the state's economy, each issue of the *Idaho Economic Forecast* uses DRI's most recent forecast of the U.S. economy. Additional data, such as company-specific expansions and/or contractions are also considered.

The following comparison table shows how the outlooks for several key Idaho and national economic series have changed from the April 2000 to the July 2000 *Idaho Economic Forecast*. The April 2000 Idaho forecast is based on DRI's March 2000 U.S. macroeconomic forecast and the July 2000 Idaho forecast is driven by DRI's June 2000 forecast.

This section focuses on the differences between the current and previous *Idaho Economic Forecasts*. The changes for several key national and Idaho economic variables are summarized on the accompanying table. The national variables are reviewed first. As the table shows, the outlook for the U.S. economy has improved significantly since the last *Forecast* was published. Both the nominal and real measures of GDP are up from previous projections. Nominal GDP has shown the strongest improvement. It is up by 1.2% this year, 1.6% next year, 1.5% in 2002, and 1.8% in 2003. This stronger growth is due in part to higher inflation. Indeed, the price data on the bottom of the table show anticipated inflation running ahead of previous estimates. Because of the higher inflation, the improvement in real GDP will not be as much as the gain in nominal GDP. Specifically, it is about 0.5% higher in each year from 2000 to 2002, and nearly 1.0% stronger in 2003. The stronger economy translates to stronger employment growth in the near term, but this advantage erodes over time as the available labor supply disappears. Interestingly, all improvements to employment come from the goods-producing sector. The outlook for the services-producing sector is virtually unchanged from the previous projection. Despite the stronger employment picture, real personal income is down significantly in 2000, as the slight gain in nominal income is overwhelmed by inflation.

The outlook for Idaho's economy has also improved significantly. Nonfarm employment is now expected to be about 0.5% higher than previously thought. Both the goods- and services-producing sectors contribute to higher employment this year and next. However, in 2002 and 2003, goods-producing employment drops slightly below previously forecasted levels. But this drop is more than offset by the continued strength of the services-producing sectors. The estimates for Idaho nominal personal income are up noticeably from previous levels. Readers are reminded that most of this increase reflects significant revisions to the historical data. For example, 1999 Idaho nominal personal income was revised upwards by over $1.5 billion. The personal income components that contributed to this increase were farm proprietors' income; dividends, interest, and rent; and other labor income. After adjusting for the higher inflation, Idaho real personal income is up 4.5% to 5.0% above previous estimates.

IDAHO ECONOMIC FORECAST

FORECASTS COMPARISON

DIFFERENCES BETWEEN APRIL 2000 AND JULY 2000 FORECASTS

	1999	2000	2001	2002	2003
GDP (BILLIONS)					
Current $	2	119	161	158	199
% Difference	*0.0%*	*1.2%*	*1.6%*	*1.5%*	*1.8%*
1992 Chain-Weighted	-5	34	45	44	81
% Difference	*-0.1%*	*0.4%*	*0.5%*	*0.5%*	*0.9%*
PERSONAL INCOME - CURR $					
Idaho (Millions)	1,511	1,593	1,775	1,859	1,950
% Difference	*5.4%*	*5.3%*	*5.6%*	*5.5%*	*5.5%*
U.S. (Billions)	1	1	67	94	118
% Difference	*0.0%*	*0.0%*	*0.8%*	*1.0%*	*1.2%*
PERSONAL INCOME - 1992 $					
Idaho (Millions)	1,303	1,197	1,274	1,284	1,289
% Difference	*5.3%*	*4.7%*	*4.8%*	*4.6%*	*4.5%*
U.S. (Billions)	-5	-50	-6	9	18
% Difference	*-0.1%*	*-0.7%*	*-0.1%*	*0.1%*	*0.2%*
TOTAL NONFARM EMPLOYMENT					
Idaho	-438	1,043	2,138	2,162	2,715
% Difference	*-0.1%*	*0.2%*	*0.4%*	*0.4%*	*0.5%*
U.S. (Thousands)	164	236	367	138	64
% Difference	*0.1%*	*0.2%*	*0.3%*	*0.1%*	*0.0%*
GOODS PRODUCING SECTOR					
Idaho	-359	232	689	-260	-255
% Difference	*-0.3%*	*0.2%*	*0.6%*	*-0.2%*	*-0.2%*
U.S. (Thousands)	238	334	429	189	69
% Difference	*0.9%*	*1.3%*	*1.7%*	*0.8%*	*0.3%*
SERVICE PRODUCING SECTOR					
Idaho	-79	811	1,449	2,422	2,970
% Difference	*0.0%*	*0.2%*	*0.3%*	*0.5%*	*0.6%*
U.S. (Thousands)	-74	-98	-62	-51	-5
% Difference	*-0.1%*	*-0.1%*	*-0.1%*	*0.0%*	*0.0%*
FINANCIAL MARKETS					
Federal Funds Rate	0.0	0.1	0.3	0.6	0.4
Bank Prime Rate	0.0	0.1	0.3	0.6	0.3
Mort Rate, New Homes	0.0	0.0	0.5	0.6	0.5
INFLATION					
GDP Price Deflator	0.1	0.9	1.2	1.1	1.0
Personal Cons Deflator	0.1	0.8	1.0	1.0	1.2
Consumer Price Index	0.0	1.3	1.7	1.8	1.9

Forecast Begins the FIRST Quarter of 2000

ALTERNATIVE FORECASTS

DRI has assigned a 55% probability of occurrence to its June 2000 baseline forecast of the U.S. economy. The major features of this forecast include:

- Real GDP expands by 4.9% in 2000, 3.0% in 2001, 3.1% in 2002, and 3.5% in 2003;
- U.S. nonfarm employment grows 2.3% this year, 1.5% next year, 1.0% in 2002, and 1.2% in 2003;
- the U.S. civilian unemployment rate remains below the full employment rate of 5.5%;
- consumer confidence peaks in 2000, then slowly tapers off over the forecast period;
- consumer inflation remains tame;
- the federal budget surplus rises to nearly $265 billion in 2003;
- and the U.S. merchandise trade deficit widens.

While the baseline scenario represents the most likely path for the national economy over the next few years, uncertainties surrounding several key variables mean other outcomes are also possible. To account for this, DRI prepares alternative forecasts based on different assumptions regarding these key variables. Two of these alternative forecasts, along with their impacts on the Idaho economy, are discussed below.

While it is believed that the U.S. economy will not suffer a recession over the forecast period, it should be noted that the risk of a recession is high. A review of the probabilities of occurrence for each forecast scenario shows this. The baseline does not include a recession and the probability of occurrence is 55%. However, both of the alternative scenarios do contain recessions and their combined probability of occurrence is 45%. This implies the chances of the economy not suffering a recession over the next few years are barely better than even.

PESSIMISTIC SCENARIO

The *Pessimistic Scenario* has been assigned a 10% probability of occurrence. This scenario explores the impact a stock market crash would have on the economy. A major correction is a concern because the nation's stock market is severely overvalued by almost every measure. For example, according to DRI, it is 30% to 40% higher than can reasonably be expected. A correction of this magnitude might push the economy into a recession. Another concern is rising oil prices. They have played havoc with the economies of emerging countries, and could pull them into recessions. If U.S. stock markets drop at the same time, carrying foreign markets down with them, a renewed Asian crisis is probable. U.S. consumers are likely to retrench when the stock markets collapse, causing the wealth effect to run in reverse. The result would be a three-quarters long recession that starts in the last quarter of this year.

The good news is that such a recession would likely be relatively mild. Specifically, it would last only three-quarters and decline just 1.3% from peak to trough. To put this in perspective, since 1920, the recessions have lasted an average of about 14 months and experienced an average drop of 6.6% from peak to trough. The recession should be mild because with no inflation the Federal Reserve has the room to react quickly. As the central bank lowers interest rates, investment and housing revive. The recovery picks up steam slowly, however, because the heavy consumer debt burden restricts new spending.

Idaho's economy would suffer a noticeable setback in 2001 under this scenario. Weighed down by that year's national recession, nonfarm employment would expand an anemic 1.1%. This is about half the pace predicted in the baseline case. The goods-producing sector would take the biggest hit; declining

IDAHO ECONOMIC FORECAST

BASELINE AND ALTERNATIVE FORECASTS

JULY 2000

	BASELINE				PESSIMISTIC				LATE RECESSION			
	2000	**2001**	**2002**	**2003**	**2000**	**2001**	**2002**	**2003**	**2000**	**2001**	**2002**	**2003**
GDP (BILLIONS)												
Current $	9,908	10,395	10,916	11,523	9,878	10,067	10,606	11,248	9,923	10,541	10,871	11,286
% Ch	*7.0%*	*4.9%*	*5.0%*	*5.6%*	*6.7%*	*1.9%*	*5.4%*	*6.1%*	*7.2%*	*6.2%*	*3.1%*	*3.8%*
1992 Chain-Weighted	8,523	8,778	9,053	9,365	8,492	8,467	8,737	9,095	8,534	8,826	8,813	8,931
% Ch	*4.9%*	*3.0%*	*3.1%*	*3.5%*	*4.5%*	*-0.3%*	*3.2%*	*4.1%*	*5.0%*	*3.4%*	*-0.2%*	*1.3%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	31,482	33,438	35,431	37,557	31,463	33,146	35,167	37,231	31,509	33,692	35,664	37,384
% Ch	*7.3%*	*6.2%*	*6.0%*	*6.0%*	*7.2%*	*5.3%*	*6.1%*	*5.9%*	*7.4%*	*6.9%*	*5.9%*	*4.8%*
U.S. (Billions)	8,282	8,780	9,242	9,740	8,274	8,630	9,044	9,523	8,291	8,877	9,338	9,643
% Ch	*6.3%*	*6.0%*	*5.3%*	*5.4%*	*6.2%*	*4.3%*	*4.8%*	*5.3%*	*6.4%*	*7.1%*	*5.2%*	*3.3%*
PERSONAL INCOME - 1992 $												
Idaho (Millions)	26,919	28,035	29,021	30,020	26,874	27,659	28,597	29,574	26,901	27,826	28,325	29,128
% Ch	*4.7%*	*4.1%*	*3.5%*	*3.4%*	*4.5%*	*2.9%*	*3.4%*	*3.4%*	*4.6%*	*3.4%*	*1.8%*	*2.8%*
U.S. (Billions)	7,085	7,366	7,575	7,791	7,071	7,207	7,360	7,570	7,082	7,337	7,422	7,520
% Ch	*3.8%*	*4.0%*	*2.8%*	*2.8%*	*3.6%*	*1.9%*	*2.1%*	*2.9%*	*3.7%*	*3.6%*	*1.2%*	*1.3%*
TOTAL NONFARM EMPLOYMENT												
Idaho (Thousands)	558.7	571.7	585.7	599.9	558.2	564.6	576.7	592.0	558.8	571.2	577.2	582.3
% Ch	*3.6%*	*2.3%*	*2.4%*	*2.4%*	*3.5%*	*1.1%*	*2.1%*	*2.7%*	*3.6%*	*2.2%*	*1.0%*	*0.9%*
U.S. (Millions)	131.7	133.7	135.0	136.6	131.6	130.7	130.8	132.7	131.8	134.3	133.9	131.9
% Ch	*2.3%*	*1.5%*	*1.0%*	*1.2%*	*2.2%*	*-0.6%*	*0.1%*	*1.4%*	*2.3%*	*1.9%*	*-0.3%*	*-1.5%*
GOODS PRODUCING SECTOR												
Idaho (Thousands)	117.6	119.4	121.2	123.6	117.3	115.5	117.5	121.1	117.8	120.5	119.4	118.0
% Ch	*3.6%*	*1.5%*	*1.6%*	*2.0%*	*3.3%*	*-1.6%*	*1.8%*	*3.0%*	*3.7%*	*2.3%*	*-0.9%*	*-1.1%*
U.S. (Millions)	25.6	25.3	24.7	24.4	25.6	24.5	23.7	23.6	25.7	25.5	24.6	23.4
% Ch	*0.6%*	*-1.4%*	*-2.1%*	*-1.3%*	*0.4%*	*-4.4%*	*-3.0%*	*-0.5%*	*0.7%*	*-0.5%*	*-3.5%*	*-5.0%*
SERVICE PRODUCING SECTOR												
Idaho (Thousands)	441.1	452.3	464.5	476.3	440.9	449.1	459.2	470.9	441.0	450.8	457.8	464.3
% Ch	*3.6%*	*2.6%*	*2.7%*	*2.5%*	*3.6%*	*1.9%*	*2.2%*	*2.6%*	*3.6%*	*2.2%*	*1.5%*	*1.3%*
U.S. (Millions)	106.1	108.4	110.3	112.2	106.0	106.3	107.1	109.1	106.1	108.8	109.2	108.5
% Ch	*2.7%*	*2.2%*	*1.7%*	*1.7%*	*2.6%*	*0.3%*	*0.8%*	*1.8%*	*2.8%*	*2.5%*	*0.4%*	*-0.7%*
FINANCIAL MARKETS												
Federal Funds Rate	*6.4%*	*6.8%*	*6.5%*	*6.1%*	*6.4%*	*6.4%*	*5.2%*	*4.2%*	*6.4%*	*7.4%*	*7.0%*	*3.9%*
Bank Prime Rate	*9.4%*	*9.8%*	*9.5%*	*9.1%*	*9.4%*	*9.4%*	*8.2%*	*7.2%*	*9.4%*	*10.3%*	*10.3%*	*7.0%*
Mort Rate, New Homes	*8.0%*	*8.4%*	*8.2%*	*7.9%*	*8.1%*	*8.7%*	*8.2%*	*7.5%*	*8.0%*	*8.4%*	*9.1%*	*7.9%*
INFLATION												
GDP Price Deflator	*2.1%*	*1.9%*	*1.8%*	*2.0%*	*2.2%*	*2.2%*	*2.1%*	*1.9%*	*2.2%*	*2.8%*	*3.3%*	*2.4%*
Personal Cons Deflator	*2.5%*	*2.0%*	*2.4%*	*2.5%*	*2.6%*	*2.4%*	*2.6%*	*2.4%*	*2.6%*	*3.4%*	*4.0%*	*1.9%*
Consumer Price Index	*3.2%*	*2.4%*	*2.5%*	*2.6%*	*3.3%*	*2.7%*	*2.6%*	*2.5%*	*3.4%*	*4.0%*	*4.3%*	*1.8%*

Forecast Begins the FIRST Quarter of 2000

pace predicted in the baseline case. The goods-producing sector would take the biggest hit; declining 1.6% in 2001. In this same year, the services would eke out just 1.9% growth. Idaho real personal income, which is predicted to expand a healthy 4.1% in 2001 in the baseline case, rises just 2.9% in this scenario. Idaho economic growth does pick up speed in the latter years of the forecast, but not enough to recover lost ground. In 2003, nonfarm employment is about 8,000 lower than in the baseline and real personal income is down by about $450 million.

LATE-RECESSION SCENARIO

The *Late-Recession Scenario* has been assigned a 35% probability of occurrence. The more likely of the two alternative scenarios considered here, it also contains the more severe downturn. It is also the more traditional one. Every postwar expansion has ended with rising inflation leading to a Federal Reserve overreaction. The higher interest rates, usually helped by an external or fiscal policy shock, then cause a recession. It is such an overreaction that it would end the current record-setting expansion. The risk of higher inflation is already in place. Employer costs have been rising due to the tight labor market. In addition, rising energy prices are also fanning inflation fires. In this scenario, the inflation rate hits 4.0% by late 2001. In an effort to contain inflation, the Federal Reserve jerks the federal funds rate above 8.0% in early 2002. In response to higher interest rates, the stock market corrects sharply. Consumers' wealth disappears and their borrowing costs start to rise. This retards both consumer spending and housing growth, and the economy falls into a recession.

Although it is more severe than the downturn in the Early Recession Scenario, this alternative's recession is mild compared to typical recessions. The economy would recover quickly once the Federal Reserve begins cutting interest rates. The Federal Reserve would be able to loosen aggressively because internal imbalances are relatively minor compared with other postwar recessions. In general, long expansions have been followed by short recessions. This scenario's downturn is not an exception. It starts in the first quarter of 2002 and lasts through its fourth quarter. Real output drops 2.2% from peak to trough.

In this scenario, Idaho's economy manages to keep pace with its baseline counterpart through most of next year. However, it reels off track in the last two years of the forecast. In 2001, Idaho nonfarm employment averages 571,200, which is just 500 lower than in the baseline case. Idaho real personal income in this scenario is $27.8 billion in 2001, almost a quarter of a million dollars below the baseline projection. Most of this change reflects the higher inflation anticipated in this scenario. The national recession causes the *Late Recession Scenario* to diverge from the baseline in the latter years of the forecast horizon. Weak growth in both 2002 and 2003 cause employment to be more than 17,000 lower in 2003 compared to the baseline case. Idaho real personal income is $29.1 billion, which is almost a billion dollars short of the baseline's forecast of $30.0 billion.

A WEALTH EFFECT*

During the current record U.S. economic expansion, particularly over the last few years, Americans have been spending — a lot — and then spending some more. In fact, since 1995 real personal outlays in the United States increased at a strong pace — on average, about 4.1 percent per year.

Strong consumer confidence from a robust economy and a low-inflation environment are surely contributing to Americans' quest to buy goods. But something else may be encouraging people to spend, and its probably not personal income, which grew on average about 3.3 percent between 1995 and 1999. The question is, What?

THE WEALTH EFFECT

Many people believe that the sustained increase in consumer spending out of current income may be the result of a "wealth effect." While this wealth effect was a somewhat remote concept bandied around in the past by those in economic circles, today it's being discussed by many Americans, particularly people seeking an explanation for the recent consumer spending spree.

In economic terms, the wealth effect under discussion is an increase in aggregate expenditures brought on by increases in household financial and nonfinancial asset holdings. Expressed another way, for every dollar someone gains in asset appreciation, she will spend part of it even if she doesn't realize the appreciation by selling the asset.

TAKING STOCK

Research suggests that people have historically spent three to four cents out of every additional dollar of stock market wealth. Some believe that the increase in outlays in excess of increases in income have added, on average, about 1 percentage point to the annual growth of gross domestic purchases in the past five years. In 1999, 1 percent of GDP equaled approximately $92.5 billion, which is serious spending.

And more people appear to own stock — either outright or through mutual funds, 401(k) retirement accounts or other managed assets — than in previous decades. The Federal Reserve Board's 1998 Survey of Consumer Finances shows the dramatic change. According to the findings, approximately 48 percent of the families participating in the survey either directly or indirectly held stock in 1998 versus approximately 31 percent in 1989. Half of that gain took place between 1995 and 1998.

Not surprisingly, family asset values increased considerably, at least on paper, during that same period. Based on calculations from Federal Reserve Board and U.S. Census Bureau data, families' unrealized capital gains — on assets such as businesses, real estate and stocks — rose annually by a per family mean of approximately 39 percent between 1995

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* Reprinted from the Federal Reserve Bank of Atlanta's Second Quarter 2000 *EconSouth*. The views expressed in *EconSouth* are not necessarily those of the Federal Reserve Bank of Atlanta or the Federal Reserve System.

and 1998. Unrealized gains are gains in the value of assets that are yet to be sold. So while more Americans own stock and while their assets have by and large appreciated considerably during the past several years, does that mean that people will automatically spend more of their current income based on the assumption of a future return?

TABLE 1
Reported Effects of Trends in Stock Prices on Saving and Spending in the Past Few Years

Reported effect	Percent of stockowners Reporting each effect
No effect	85.0
Spend more/save less	**3.4**
Not specified	2.6
Bought a car	0.4
Bought a house	0.1
Gave more to charity	0.1
Took more vacations	0.1
Spend less/save more	**11.6**
Not specified	7.2
Invested in the stock market	3.3
Increased 401(k) contributions	0.7
Increased mortgage payments	0.4

Note: Stock-owning households were asked, "Have you [has your family] changed the amount of money you spend or save as a result of the trend in stock prices during the past few years?" If yes, they were asked, "How was your spending or saving changed?" and the response was recorded verbatim.
Sources: Federal Reserve Board of Governors Working Paper 1998-20 and Michigan Survey of Consumers

Not according to Martha Starr-McCluer, an economist at the Federal Reserve Board, who in a 1998 working paper evaluated several monthly surveys from the University of Michigan's Survey of consumers conducted in 1997. In her research, Starr-McCluer mentions that the vast majority — 85 percent — of stockholders reported no appreciable effect of stock prices on their spending or saving (see Table 1). Only 3.4 percent of the

TABLE 2
Reasons for Not Liquidating Assets of Lowering Savings in the Next 12 Months

Reason	Percent of stockowners with no plans to liquidate assets or lower saving
Saving for retirement	45.0
Don't need the money right now	33.9
Saving for precautionary reasons	17.6
Illiquidity of gains	9.7
Saving for major purchase	7.9
Saving for education	7.6
Saving to buy a home	3.5

Note: Figures are computed for the 69.5 percent of the stockholders reporting no plans to liquidate assets or lower saving in the next 12 months. Respondents could give more than one reason. The category "illiquidity of gains" includes "cannot withdraw till retirement," "would have to pay penalties for early withdrawal" and "would lose interest if withdrew money early." Sources: Federal Reserve Board of Governors Working Paper 1998-20 and Michigan Survey of Consumers.

household stockholders in the survey said that they increased their spending or lowered their saving as a result of higher stock prices. Interestingly, in those same University of Michigan surveys, approximately 70 percent of the respondents owning stocks said that they had no plans to liquidate assets to make purchases or to save less in the next year. The most common response by participants was that they were saving for retirement (see Table 2).

The stock market and consumer spending, however, may be related, but only passively. That's because, as Starr-McCluer reasons, the stock market is a passive predictor of information. Stock prices, she argues, may simply lead aggregate economic activity, with the market anticipating a pickup in production and employment that eventually translates into higher consumer spending.

Clearly, consumers have been on a buying binge, but Starr-McCluer's research seems to back up the belief of many economists and even some manufacturers that wealth gains have only a modest impact on current spending. Instead, she says that her results support the life-cycle view that predicts only modest effects of wealth gains on current spending, as spending gains would be distributed over a household's lifetime.

WHAT ARE THE POLICY IMPLICATIONS?

Aside from consumers, policymakers with their finger on the pulse of the nation's economy have also been intrigued by the concept of the wealth effect, particularly as spending has remained so strong during the current record economic expansion.

A key question for policymakers considering the impact of the wealth effect is whether the historic relationships between changes in wealth and expenditures still hold.
If the wealth effect is pushing consumer spending, there are some questions that policymakers must ask themselves, such as how they should assess the macroeconomic effects of increased consumer spending and whether personal saving is out of balance with spending.

In describing how the wealth effect has worked in the U.S. economy, Fed Chairman Alan Greenspan summed it up this way in a speech earlier this year. "A substantial part of the excess growth of demand over potential supply owes to a wealth effect, induced by the rising asset prices that have accompanied the run-up in potential rates of return on new and existing capital. The rise in stock prices, as well as in the capital gains on homes, has created a marked increase in purchasing power without providing an equivalent and immediate expansion in the supply of goods and services. That expansion in supply will occur only over time."

But does that mean that the wealth effect is causing a significant imbalance, one that could bring on inflationary pressures if demand is growing faster than supply? Going a step further, would this potential imbalance be enough to cause the Federal Reserve to take some measure to lessen the run-up in wealth, such as targeting a level for the stock market?

Not according to Greenspan, who in that same speech said, "The persuasive evidence that the wealth effect is contributing to the risk of imbalances in our economy does not imply that the most straightforward way to restore balance in financial and product markets is for monetary policy to target asset price levels. Leaving aside the deeper question of whether asset price targeting is an appropriate governmental function, there is little, if any, evidence that monetary policy aimed at achieving that goal would be successful."

Along similar lines, some people have also expressed concerns about whether consumers are spending too much and saving too little. Based on Federal Reserve Bank of Atlanta estimates, the personal savings rate may not be as low as some contend: unrealized gains in people's net financial assets, including an appreciation of 401(k) funds, if marked to market would boost the estimated personal savings rate to nearly 12 percent. If these estimates are correct, the rate of personal savings may not be as significant a concern as some suspect. What's more, the increase in consumer debt may not reflect a worrisome burden if balance sheets are strengthened by increases in wealth holdings.

Whether or not the wealth effect is encouraging consumers to spend more is a question for debate. What is clear, though, is that consumers continue to spend at very high levels, levels that show few signs of declining.

IDAHO ECONOMIC FORECAST

JULY 2000

FORECAST DETAIL

Reporting Conventions

Units of measurement are presented in the individual reports. If not otherwise indicated, population is in millions; income is in billions; and employment is in thousands.

The percentage change numbers given in the annual reports are simple period-to-period percent changes. Since the periods are years, they are thus simple annual changes. The percentage changes given in the quarterly report are period-to-period changes at compound annual rates, following standard practice. A large change in a given quarter can seem to be exaggerated since the calculation assumes the change is compounded over an entire year.

Data Sources

National forecast data are provided by Standard and Poor's DRI and the Food and Agricultural Policy Research Institute (FAPRI). Historical data for the models are obtained from the following agencies: Bureau of the Census (demographic), Bureau of Economic Analysis (income), Bureau of Labor Statistics (employment), Federal Reserve Board of Governors (production), and U.S. Department of Agriculture (farm).

Idaho historical data are obtained from the Department of Labor (employment and hourly earnings), Bureau of Vital Statistics (births and deaths), Division of Financial Management (migration), and the Bureau of Economic Analysis (income).

The Idaho average annual wage is calculated by the Division of Financial Management from Bureau of Economic Analysis and Idaho Department of Labor data. Because of the different methodology used and data available, this figure may not match those published by other sources.

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2000

DEMOGRAPHICS

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
POPULATION										
Idaho (Thousands)	991.5	993.8	990.5	986.6	988.5	996.7	1,010.7	1,037.5	1,068.1	1,098.4
% Ch	*0.9%*	*0.2%*	*-0.3%*	*-0.4%*	*0.2%*	*0.8%*	*1.4%*	*2.6%*	*3.0%*	*2.8%*
National (Millions)	236.6	238.7	240.9	243.1	245.3	247.7	250.3	253.0	255.7	258.4
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*1.0%*	*1.1%*	*1.1%*	*1.1%*	*1.0%*
BIRTHS										
Idaho (Thousands)	17.996	17.5385	16.4235	15.905	15.759	15.863	16.423	16.741	17.197	17.575
% Ch	*-4.0%*	*-2.5%*	*-6.4%*	*-3.2%*	*-0.9%*	*0.7%*	*3.5%*	*1.9%*	*2.7%*	*2.2%*
National (Thousands)	3,669.0	3,761.0	3,757.0	3,809.0	3,910.0	4,041.0	4,158.0	4,110.0	4,038.0	3,997.0
% Ch	*0.8%*	*2.5%*	*-0.1%*	*1.4%*	*2.7%*	*3.4%*	*2.9%*	*-1.2%*	*-1.8%*	*-1.0%*
DEATHS										
Idaho (Thousands)	7.229	7.105	7.345	7.307	7.611	7.389	7.358	7.644	7.887	8.277
% Ch	*0.3%*	*-1.7%*	*3.4%*	*-0.5%*	*4.2%*	*-2.9%*	*-0.4%*	*3.9%*	*3.2%*	*4.9%*
National (Thousands)	2,039.0	2,086.0	2,105.0	2,123.0	2,168.0	2,150.0	2,162.0	2,163.0	2,210.0	2,237.0
% Ch	*1.0%*	*2.3%*	*0.9%*	*0.9%*	*2.1%*	*-0.8%*	*0.6%*	*0.0%*	*2.2%*	*1.2%*
NET MIGRATION										
Idaho (Thousands)	-1.487	-8.149	-12.390	-12.541	-6.249	-0.251	4.984	17.628	21.365	20.977
HOUSING										
HOUSING STARTS										
Idaho	4,548	4,337	4,164	3,409	3,334	4,674	5,832	6,600	9,584	11,457
% Ch	*2.1%*	*-4.6%*	*-4.0%*	*-18.1%*	*-2.2%*	*40.2%*	*24.8%*	*13.2%*	*45.2%*	*19.5%*
National (Millions)	1.766	1.741	1.812	1.631	1.488	1.382	1.203	1.009	1.201	1.292
% Ch	*3.6%*	*-1.4%*	*4.0%*	*-10.0%*	*-8.7%*	*-7.1%*	*-12.9%*	*-16.2%*	*19.1%*	*7.5%*
SINGLE UNITS										
Idaho	3,588	3,212	3,157	2,744	2,981	3,711	4,786	5,662	7,900	8,939
% Ch	*-4.5%*	*-10.5%*	*-1.7%*	*-13.1%*	*8.6%*	*24.5%*	*29.0%*	*18.3%*	*39.5%*	*13.1%*
National (Millions)	1.098	1.071	1.182	1.154	1.083	1.006	0.901	0.835	1.032	1.131
% Ch	*3.1%*	*-2.5%*	*10.4%*	*-2.4%*	*-6.2%*	*-7.1%*	*-10.5%*	*-7.3%*	*23.6%*	*9.6%*
MULTIPLE UNITS										
Idaho	961	1,125	1,007	665	353	963	1,046	938	1,684	2,518
% Ch	*37.6%*	*17.1%*	*-10.5%*	*-33.9%*	*-47.0%*	*173.2%*	*8.6%*	*-10.3%*	*79.6%*	*49.5%*
National (Millions)	0.668	0.671	0.630	0.476	0.405	0.376	0.303	0.174	0.170	0.161
% Ch	*4.3%*	*0.4%*	*-6.1%*	*-24.3%*	*-15.0%*	*-7.2%*	*-19.5%*	*-42.6%*	*-2.4%*	*-5.1%*
HOUSING STOCK										
Idaho (Thousands)	315.4	318.7	322.1	324.8	327.1	330.1	334.8	339.8	347.4	356.9
% Ch	*1.2%*	*1.0%*	*1.1%*	*0.8%*	*0.7%*	*0.9%*	*1.4%*	*1.5%*	*2.2%*	*2.7%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST
ANNUAL DETAIL
JULY 2000

DEMOGRAPHICS

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
POPULATION										
Idaho (Thousands)	1,131.0	1,159.9	1,186.7	1,211.0	1,231.0	1,251.8	1,274.3	1,294.1	1,314.0	1,332.5
% Ch	*3.0%*	*2.6%*	*2.3%*	*2.0%*	*1.7%*	*1.7%*	*1.8%*	*1.6%*	*1.5%*	*1.4%*
National (Millions)	260.9	263.3	265.8	268.1	270.6	273.1	275.6	278.1	280.6	283.1
% Ch	*1.0%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS										
Idaho (Thousands)	17.690	17.915	18.482	18.599	19.188	19.709	20.100	20.415	20.735	21.007
% Ch	*0.7%*	*1.3%*	*3.2%*	*0.6%*	*3.2%*	*2.7%*	*2.0%*	*1.6%*	*1.6%*	*1.3%*
National (Thousands)	3,964.0	3,935.0	3,911.0	3,892.0	3,880.0	3,874.0	3,872.0	3,876.0	3,885.0	3,901.0
% Ch	*-0.8%*	*-0.7%*	*-0.6%*	*-0.5%*	*-0.3%*	*-0.2%*	*-0.1%*	*0.1%*	*0.2%*	*0.4%*
DEATHS										
Idaho (Thousands)	8.478	8.553	8.679	8.953	9.105	9.260	9.424	9.574	9.724	9.867
% Ch	*2.4%*	*0.9%*	*1.5%*	*3.2%*	*1.7%*	*1.7%*	*1.8%*	*1.6%*	*1.6%*	*1.5%*
National (Thousands)	2,264.0	2,291.0	2,318.0	2,345.0	2,372.0	2,399.0	2,424.0	2,446.0	2,467.0	2,487.0
% Ch	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.1%*	*1.0%*	*0.9%*	*0.9%*	*0.8%*
NET MIGRATION										
Idaho (Thousands)	23.411	19.563	16.982	14.572	9.966	10.376	11.796	8.945	8.886	7.404
HOUSING										
HOUSING STARTS										
Idaho	12,767	9,361	9,222	8,857	10,117	10,324	10,624	10,352	10,084	9,956
% Ch	*11.4%*	*-26.7%*	*-1.5%*	*-4.0%*	*14.2%*	*2.0%*	*2.9%*	*-2.6%*	*-2.6%*	*-1.3%*
National (Millions)	1.446	1.361	1.469	1.475	1.621	1.676	1.652	1.519	1.488	1.536
% Ch	*12.0%*	*-5.9%*	*7.9%*	*0.4%*	*9.9%*	*3.4%*	*-1.4%*	*-8.1%*	*-2.0%*	*3.3%*
SINGLE UNITS										
Idaho	9,421	7,281	7,850	7,656	9,036	9,185	9,631	9,664	9,484	9,292
% Ch	*5.4%*	*-22.7%*	*7.8%*	*-2.5%*	*18.0%*	*1.6%*	*4.9%*	*0.3%*	*-1.9%*	*-2.0%*
National (Millions)	1.191	1.082	1.154	1.136	1.278	1.340	1.288	1.163	1.135	1.170
% Ch	*5.4%*	*-9.2%*	*6.7%*	*-1.6%*	*12.4%*	*4.9%*	*-3.9%*	*-9.6%*	*-2.4%*	*3.1%*
MULTIPLE UNITS										
Idaho	3,346	2,080	1,373	1,200	1,081	1,139	993	687	600	664
% Ch	*32.9%*	*-37.8%*	*-34.0%*	*-12.6%*	*-9.9%*	*5.3%*	*-12.8%*	*-30.8%*	*-12.8%*	*10.8%*
National (Millions)	0.255	0.279	0.314	0.338	0.344	0.335	0.365	0.355	0.353	0.366
% Ch	*58.3%*	*9.4%*	*12.7%*	*7.6%*	*1.6%*	*-2.4%*	*8.8%*	*-2.6%*	*-0.8%*	*3.8%*
HOUSING STOCK										
Idaho (Thousands)	368.7	377.8	386.2	393.7	402.3	411.3	420.6	429.8	438.6	447.4
% Ch	*3.3%*	*2.4%*	*2.2%*	*1.9%*	*2.2%*	*2.2%*	*2.3%*	*2.2%*	*2.1%*	*2.0%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL
JULY 2000

OUTPUT, INCOME, & WAGES

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
GROSS DOM. PRODUCT (Billions)										
Current Dollars	3,902.4	4,180.7	4,422.2	4,692.3	5,049.6	5,438.7	5,743.8	5,916.7	6,244.5	6,558.1
% Ch	*11.0%*	*7.1%*	*5.8%*	*6.1%*	*7.6%*	*7.7%*	*5.6%*	*3.0%*	*5.5%*	*5.0%*
1992 Chain-Weighted	5,140.1	5,323.5	5,487.7	5,649.4	5,865.2	6,062.0	6,136.3	6,079.4	6,244.4	6,389.5
% Ch	*7.0%*	*3.6%*	*3.1%*	*2.9%*	*3.8%*	*3.4%*	*1.2%*	*-0.9%*	*2.7%*	*2.3%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	10,968	11,577	11,851	12,422	13,354	14,721	16,055	16,825	18,382	20,105
% Ch	*8.3%*	*5.6%*	*2.4%*	*4.8%*	*7.5%*	*10.2%*	*9.1%*	*4.8%*	*9.3%*	*9.4%*
Idaho Nonfarm (Millions)	10,466	11,119	11,377	11,838	12,722	13,863	15,081	16,026	17,581	19,040
% Ch	*9.7%*	*6.2%*	*2.3%*	*4.1%*	*7.5%*	*9.0%*	*8.8%*	*6.3%*	*9.7%*	*8.3%*
National (Billions)	3,211	3,441	3,640	3,878	4,179	4,496	4,796	4,966	5,256	5,481
% Ch	*11.0%*	*7.1%*	*5.8%*	*6.5%*	*7.8%*	*7.6%*	*6.7%*	*3.5%*	*5.8%*	*4.3%*
PERSONAL INCOME - 1992 $										
Idaho (Millions)	14,994	15,267	15,194	15,342	15,835	16,644	17,280	17,377	18,380	19,582
% Ch	*4.3%*	*1.8%*	*-0.5%*	*1.0%*	*3.2%*	*5.1%*	*3.8%*	*0.6%*	*5.8%*	*6.5%*
Idaho Nonfarm (Millions)	14,308	14,662	14,587	14,621	15,085	15,674	16,230	16,552	17,580	18,545
% Ch	*5.7%*	*2.5%*	*-0.5%*	*0.2%*	*3.2%*	*3.9%*	*3.5%*	*2.0%*	*6.2%*	*5.5%*
National (Billions)	4,391	4,537	4,666	4,790	4,956	5,084	5,162	5,129	5,256	5,339
% Ch	*6.9%*	*3.3%*	*2.8%*	*2.6%*	*3.5%*	*2.6%*	*1.5%*	*-0.6%*	*2.5%*	*1.6%*
PER CAPITA PERS INC - CURR $										
Idaho	11,061	11,649	11,965	12,591	13,510	14,769	15,884	16,217	17,208	18,302
% Ch	*7.3%*	*5.3%*	*2.7%*	*5.2%*	*7.3%*	*9.3%*	*7.5%*	*2.1%*	*6.1%*	*6.4%*
National	13,572	14,412	15,107	15,952	17,035	18,154	19,163	19,628	20,553	21,212
% Ch	*10.0%*	*6.2%*	*4.8%*	*5.6%*	*6.8%*	*6.6%*	*5.6%*	*2.4%*	*4.7%*	*3.2%*
PER CAPITA PERS INC - 1992 $										
Idaho	15,121	15,362	15,340	15,551	16,019	16,699	17,097	16,750	17,208	17,827
% Ch	*3.3%*	*1.6%*	*-0.1%*	*1.4%*	*3.0%*	*4.2%*	*2.4%*	*-2.0%*	*2.7%*	*3.6%*
National	18,555	19,006	19,369	19,704	20,204	20,527	20,624	20,274	20,553	20,661
% Ch	*5.9%*	*2.4%*	*1.9%*	*1.7%*	*2.5%*	*1.6%*	*0.5%*	*-1.7%*	*1.4%*	*0.5%*
AVERAGE ANNUAL WAGE										
Idaho	16,061	16,648	17,183	17,620	18,337	18,893	19,760	20,556	21,477	21,962
% Ch	*3.8%*	*3.7%*	*3.2%*	*2.5%*	*4.1%*	*3.0%*	*4.6%*	*4.0%*	*4.5%*	*2.3%*
National	19,650	20,494	21,305	22,292	23,323	24,083	25,205	26,120	27,501	27,912
% Ch	*5.1%*	*4.3%*	*4.0%*	*4.6%*	*4.6%*	*3.3%*	*4.7%*	*3.6%*	*5.3%*	*1.5%*

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IDAHO ECONOMIC FORECAST

ANNUAL DETAIL
JULY 2000

OUTPUT, INCOME, & WAGES

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
GROSS DOM. PRODUCT (Billions)										
Current Dollars	7,030.9	7,400.6	7,813.2	8,300.7	8,760.0	9,256.2	9,908.0	10,395.2	10,916.0	11,522.5
% Ch	*7.2%*	*5.3%*	*5.6%*	*6.2%*	*5.5%*	*5.7%*	*7.0%*	*4.9%*	*5.0%*	*5.6%*
1992 Chain-Weighted	6,719.7	6,928.7	7,176.0	7,480.7	7,802.9	8,126.7	8,522.7	8,778.0	9,052.7	9,365.4
% Ch	*5.2%*	*3.1%*	*3.6%*	*4.2%*	*4.3%*	*4.1%*	*4.9%*	*3.0%*	*3.1%*	*3.5%*
PERSONAL INCOME - CURR $										
Idaho (Millions)	21,399	22,869	24,174	25,440	27,177	29,347	31,482	33,438	35,431	37,557
% Ch	*6.4%*	*6.9%*	*5.7%*	*5.2%*	*6.8%*	*8.0%*	*7.3%*	*6.2%*	*6.0%*	*6.0%*
Idaho Nonfarm (Millions)	20,706	22,073	23,298	24,791	26,310	28,175	30,345	32,291	34,266	36,368
% Ch	*8.7%*	*6.6%*	*5.6%*	*6.4%*	*6.1%*	*7.1%*	*7.7%*	*6.4%*	*6.1%*	*6.1%*
National (Billions)	5,855	6,201	6,547	6,951	7,359	7,792	8,282	8,780	9,242	9,740
% Ch	*6.8%*	*5.9%*	*5.6%*	*6.2%*	*5.9%*	*5.9%*	*6.3%*	*6.0%*	*5.3%*	*5.4%*
PERSONAL INCOME - 1992 $										
Idaho (Millions)	20,460	21,402	22,148	22,856	24,190	25,712	26,919	28,035	29,021	30,020
% Ch	*4.5%*	*4.6%*	*3.5%*	*3.2%*	*5.8%*	*6.3%*	*4.7%*	*4.1%*	*3.5%*	*3.4%*
Idaho Nonfarm (Millions)	19,796	20,657	21,345	22,273	23,418	24,685	25,947	27,074	28,067	29,070
% Ch	*6.8%*	*4.3%*	*3.3%*	*4.3%*	*5.1%*	*5.4%*	*5.1%*	*4.3%*	*3.7%*	*3.6%*
National (Billions)	5,598	5,803	5,998	6,245	6,550	6,826	7,085	7,366	7,575	7,791
% Ch	*4.9%*	*3.7%*	*3.4%*	*4.1%*	*4.9%*	*4.2%*	*3.8%*	*4.0%*	*2.8%*	*2.8%*
PER CAPITA PERS INC - CURR $										
Idaho	18,918	19,715	20,369	21,007	22,076	23,442	24,704	25,837	26,963	28,183
% Ch	*3.4%*	*4.2%*	*3.3%*	*3.1%*	*5.1%*	*6.2%*	*5.4%*	*4.6%*	*4.4%*	*4.5%*
National	22,443	23,547	24,636	25,926	27,193	28,528	30,049	31,569	32,935	34,404
% Ch	*5.8%*	*4.9%*	*4.6%*	*5.2%*	*4.9%*	*4.9%*	*5.3%*	*5.1%*	*4.3%*	*4.5%*
PER CAPITA PERS INC - 1992 $										
Idaho	18,088	18,451	18,663	18,874	19,649	20,539	21,124	21,663	22,086	22,529
% Ch	*1.5%*	*2.0%*	*1.1%*	*1.1%*	*4.1%*	*4.5%*	*2.9%*	*2.6%*	*2.0%*	*2.0%*
National	21,458	22,037	22,571	23,291	24,204	24,993	25,707	26,487	26,995	27,520
% Ch	*3.9%*	*2.7%*	*2.4%*	*3.2%*	*3.9%*	*3.3%*	*2.9%*	*3.0%*	*1.9%*	*1.9%*
AVERAGE ANNUAL WAGE										
Idaho	22,723	23,620	24,110	24,814	25,813	27,084	28,226	29,533	30,739	31,945
% Ch	*3.5%*	*3.9%*	*2.1%*	*2.9%*	*4.0%*	*4.9%*	*4.2%*	*4.6%*	*4.1%*	*3.9%*
National	28,368	29,224	30,323	31,700	33,263	34,730	36,245	37,924	39,515	41,150
% Ch	*1.6%*	*3.0%*	*3.8%*	*4.5%*	*4.9%*	*4.4%*	*4.4%*	*4.6%*	*4.2%*	*4.1%*

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PERSONAL INCOME -- CURR $$

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	5,588	5,883	5,930	6,171	6,704	7,247	7,971	8,533	9,307	9,991
% Ch	*7.4%*	*5.3%*	*0.8%*	*4.1%*	*8.6%*	*8.1%*	*10.0%*	*7.1%*	*9.1%*	*7.3%*
National (Billions)	1,855	1,996	2,117	2,273	2,454	2,598	2,757	2,828	2,986	3,090
% Ch	*10.1%*	*7.6%*	*6.0%*	*7.4%*	*8.0%*	*5.9%*	*6.1%*	*2.5%*	*5.6%*	*3.5%*
FARM PROPRIETORS INCOME										
Idaho (Millions)	346	303	331	443	471	683	771	601	603	839
% Ch	*-19.3%*	*-12.3%*	*9.0%*	*33.9%*	*6.4%*	*45.1%*	*12.8%*	*-22.1%*	*0.3%*	*39.3%*
National (Billions)	23	24	24	32	27	36	35	29	37	32
% Ch	*462.4%*	*1.8%*	*2.6%*	*30.4%*	*-12.9%*	*32.1%*	*-2.3%*	*-17.4%*	*26.7%*	*-12.7%*
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	1,045	1,128	1,171	1,249	1,368	1,483	1,563	1,515	1,833	2,139
% Ch	*23.8%*	*8.0%*	*3.8%*	*6.7%*	*9.5%*	*8.4%*	*5.4%*	*-3.1%*	*21.0%*	*16.7%*
National (Billions)	226	245	255	274	308	321	339	347	387	418
% Ch	*20.1%*	*8.6%*	*4.2%*	*7.2%*	*12.5%*	*4.3%*	*5.4%*	*2.5%*	*11.4%*	*8.2%*
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	2,193	2,338	2,393	2,444	2,587	2,912	3,122	3,254	3,367	3,554
% Ch	*13.3%*	*6.6%*	*2.3%*	*2.1%*	*5.9%*	*12.5%*	*7.2%*	*4.3%*	*3.5%*	*5.6%*
National (Billions)	598	636	671	695	755	853	900	905	884	904
% Ch	*14.9%*	*6.4%*	*5.5%*	*3.6%*	*8.6%*	*12.9%*	*5.6%*	*0.5%*	*-2.3%*	*2.2%*
OTHER LABOR INCOME										
Idaho (Millions)	763	818	838	888	943	1,029	1,143	1,265	1,415	1,591
% Ch	*9.0%*	*7.2%*	*2.5%*	*6.0%*	*6.2%*	*9.1%*	*11.2%*	*10.7%*	*11.8%*	*12.5%*
National (Billions)	189	203	216	235	252	273	301	323	351	385
% Ch	*6.6%*	*7.5%*	*6.3%*	*9.0%*	*6.9%*	*8.5%*	*10.1%*	*7.4%*	*8.9%*	*9.6%*
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	1,333	1,440	1,522	1,572	1,680	1,812	1,972	2,192	2,442	2,626
% Ch	*2.5%*	*8.1%*	*5.7%*	*3.3%*	*6.9%*	*7.9%*	*8.8%*	*11.2%*	*11.4%*	*7.5%*
National (Billions)	454	487	519	543	578	626	688	770	858	912
% Ch	*3.2%*	*7.3%*	*6.6%*	*4.8%*	*6.3%*	*8.4%*	*9.9%*	*11.9%*	*11.5%*	*6.3%*
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	377	417	434	454	525	587	641	704	756	817
% Ch	*9.0%*	*10.6%*	*4.1%*	*4.5%*	*15.7%*	*11.8%*	*9.2%*	*9.8%*	*7.5%*	*8.0%*
National (Billions)	133	149	162	174	194	211	224	236	248	260
% Ch	*10.9%*	*12.3%*	*8.8%*	*7.1%*	*11.8%*	*8.6%*	*6.2%*	*5.3%*	*5.3%*	*4.8%*
RESIDENCE ADJUSTMENT										
Idaho (Millions)	79	86	101	110	127	142	154	169	173	183
% Ch	*21.2%*	*8.9%*	*18.4%*	*8.9%*	*14.7%*	*12.3%*	*8.6%*	*9.2%*	*2.8%*	*5.3%*

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PERSONAL INCOME -- CURR $$

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
WAGE AND SALARY PAYMENTS										
Idaho (Millions)	10,916	11,725	12,316	13,121	13,966	15,136	16,339	17,473	18,613	19,792
% Ch	*9.3%*	*7.4%*	*5.0%*	*6.5%*	*6.4%*	*8.4%*	*7.9%*	*6.9%*	*6.5%*	*6.3%*
National (Billions)	3,238	3,425	3,627	3,889	4,186	4,472	4,774	5,070	5,336	5,622
% Ch	*4.8%*	*5.8%*	*5.9%*	*7.2%*	*7.6%*	*6.8%*	*6.7%*	*6.2%*	*5.3%*	*5.4%*
FARM PROPRIETORS INCOME										
Idaho (Millions)	410	496	585	311	532	808	743	739	744	756
% Ch	*-51.2%*	*21.1%*	*17.9%*	*-46.7%*	*70.8%*	*51.9%*	*-7.9%*	*-0.5%*	*0.7%*	*1.5%*
National (Billions)	33	22	34	29	25	31	21	28	27	26
% Ch	*3.0%*	*-33.5%*	*54.4%*	*-14.0%*	*-15.0%*	*24.8%*	*-32.9%*	*33.0%*	*-3.6%*	*-3.3%*
NONFARM PROPRIETORS INCOME										
Idaho (Millions)	2,342	2,264	2,337	2,504	2,645	2,832	3,096	3,225	3,387	3,601
% Ch	*9.5%*	*-3.3%*	*3.2%*	*7.1%*	*5.6%*	*7.1%*	*9.3%*	*4.2%*	*5.0%*	*6.3%*
National (Billions)	442	476	511	549	581	627	678	701	730	769
% Ch	*5.7%*	*7.6%*	*7.4%*	*7.6%*	*5.8%*	*8.0%*	*8.1%*	*3.4%*	*4.2%*	*5.3%*
DIVIDENDS, RENT & INTEREST										
Idaho (Millions)	3,925	4,377	4,650	5,109	5,460	5,779	6,269	6,655	7,013	7,382
% Ch	*10.4%*	*11.5%*	*6.2%*	*9.9%*	*6.9%*	*5.8%*	*8.5%*	*6.2%*	*5.4%*	*5.3%*
National (Billions)	1,058	1,164	1,238	1,318	1,383	1,442	1,535	1,632	1,723	1,812
% Ch	*17.0%*	*10.1%*	*6.3%*	*6.5%*	*4.9%*	*4.2%*	*6.5%*	*6.3%*	*5.6%*	*5.2%*
OTHER LABOR INCOME										
Idaho (Millions)	1,725	1,714	1,728	1,750	1,799	1,903	2,006	2,130	2,264	2,406
% Ch	*8.4%*	*-0.6%*	*0.8%*	*1.3%*	*2.8%*	*5.8%*	*5.4%*	*6.2%*	*6.3%*	*6.3%*
National (Billions)	481	497	490	501	516	536	560	591	621	655
% Ch	*25.0%*	*3.2%*	*-1.4%*	*2.2%*	*3.0%*	*3.9%*	*4.5%*	*5.6%*	*5.1%*	*5.4%*
GOVT. TRANSFERS TO INDIV.										
Idaho (Millions)	2,777	3,012	3,285	3,395	3,552	3,727	3,934	4,185	4,450	4,729
% Ch	*5.8%*	*8.5%*	*9.1%*	*3.4%*	*4.6%*	*4.9%*	*5.6%*	*6.4%*	*6.3%*	*6.3%*
National (Billions)	863	886	929	962	984	1,018	1,068	1,132	1,198	1,268
% Ch	*-5.4%*	*2.7%*	*4.8%*	*3.6%*	*2.2%*	*3.5%*	*4.9%*	*5.9%*	*5.8%*	*5.9%*
CONTRIB. FOR SOCIAL INSUR.										
Idaho (Millions)	900	949	987	1,044	1,097	1,180	1,268	1,357	1,451	1,544
% Ch	*10.2%*	*5.5%*	*4.0%*	*5.7%*	*5.1%*	*7.5%*	*7.5%*	*7.0%*	*6.9%*	*6.4%*
National (Billions)	260	269	280	298	316	335	354	374	393	413
% Ch	*-0.2%*	*3.4%*	*4.3%*	*6.3%*	*6.0%*	*5.9%*	*5.9%*	*5.7%*	*5.1%*	*5.0%*
RESIDENCE ADJUSTMENT										
Idaho (Millions)	204	230	260	294	322	344	364	388	412	437
% Ch	*11.8%*	*12.9%*	*12.9%*	*12.9%*	*9.6%*	*6.8%*	*5.9%*	*6.6%*	*6.2%*	*6.0%*

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EMPLOYMENT

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
TOTAL NONFARM EMPLOYMENT										
Idaho	330,206	335,909	328,271	333,449	348,268	366,016	385,332	398,118	416,605	436,734
% Ch	*3.9%*	*1.7%*	*-2.3%*	*1.6%*	*4.4%*	*5.1%*	*5.3%*	*3.3%*	*4.6%*	*4.8%*
National (Thousands)	94,404	97,387	99,344	101,953	105,202	107,883	109,404	108,255	108,591	110,692
% Ch	*4.7%*	*3.2%*	*2.0%*	*2.6%*	*3.2%*	*2.5%*	*1.4%*	*-1.1%*	*0.3%*	*1.9%*
GOODS PRODUCING SECTOR										
Idaho	73,326	73,580	69,608	70,345	75,624	80,312	85,478	86,521	90,495	96,081
% Ch	*8.7%*	*0.3%*	*-5.4%*	*1.1%*	*7.5%*	*6.2%*	*6.4%*	*1.2%*	*4.6%*	*6.2%*
National (Thousands)	24,718	24,843	24,536	24,673	25,123	25,253	24,909	23,749	23,232	23,351
% Ch	*6.0%*	*0.5%*	*-1.2%*	*0.6%*	*1.8%*	*0.5%*	*-1.4%*	*-4.7%*	*-2.2%*	*0.5%*
MANUFACTURING										
Idaho	54,602	54,660	52,103	54,056	58,139	60,572	62,888	63,219	65,751	69,251
% Ch	*8.7%*	*0.1%*	*-4.7%*	*3.7%*	*7.6%*	*4.2%*	*3.8%*	*0.5%*	*4.0%*	*5.3%*
National (Thousands)	19,375	19,250	18,948	18,998	19,315	19,391	19,075	18,405	18,106	18,076
% Ch	*5.1%*	*-0.6%*	*-1.6%*	*0.3%*	*1.7%*	*0.4%*	*-1.6%*	*-3.5%*	*-1.6%*	*-0.2%*
DURABLE MANUFACTURING										
Idaho	27,566	26,759	25,524	26,831	29,560	32,176	34,065	33,144	34,793	37,497
% Ch	*8.4%*	*-2.9%*	*-4.6%*	*5.1%*	*10.2%*	*8.9%*	*5.9%*	*-2.7%*	*5.0%*	*7.8%*
National (Thousands)	11,477	11,458	11,195	11,154	11,363	11,394	11,107	10,568	10,279	10,222
% Ch	*7.2%*	*-0.2%*	*-2.3%*	*-0.4%*	*1.9%*	*0.3%*	*-2.5%*	*-4.9%*	*-2.7%*	*-0.6%*
LUMBER & WOOD PRODUCTS										
Idaho	14,213	13,506	13,240	13,379	13,984	14,747	14,897	13,470	14,004	14,409
% Ch	*2.5%*	*-5.0%*	*-2.0%*	*1.1%*	*4.5%*	*5.5%*	*1.0%*	*-9.6%*	*4.0%*	*2.9%*
National (Thousands)	718	711	724	754	768	757	733	675	680	709
% Ch	*7.1%*	*-0.9%*	*1.8%*	*4.1%*	*1.8%*	*-1.4%*	*-3.1%*	*-7.9%*	*0.7%*	*4.3%*
STONE, CLAY, GLASS, etc.										
Idaho	2,785	2,783	2,761	2,804	2,878	3,276	3,387	3,291	3,199	3,364
% Ch	*4.0%*	*-0.1%*	*-0.8%*	*1.6%*	*2.7%*	*13.8%*	*3.4%*	*-2.8%*	*-2.8%*	*5.2%*
National (Thousands)	2,023	2,021	1,977	1,954	1,996	2,014	1,975	1,877	1,843	1,856
% Ch	*6.0%*	*-0.1%*	*-2.2%*	*-1.2%*	*2.2%*	*0.9%*	*-1.9%*	*-5.0%*	*-1.8%*	*0.7%*
ELEC & NONELEC MACH										
Idaho	8,765	8,528	7,652	8,422	9,577	11,096	12,596	13,197	14,476	16,271
% Ch	*18.3%*	*-2.7%*	*-10.3%*	*10.1%*	*13.7%*	*15.9%*	*13.5%*	*4.8%*	*9.7%*	*12.4%*
National (Thousands)	4,087	4,054	3,864	3,777	3,853	3,869	3,768	3,591	3,457	3,456
% Ch	*8.8%*	*-0.8%*	*-4.7%*	*-2.2%*	*2.0%*	*0.4%*	*-2.6%*	*-4.7%*	*-3.7%*	*0.0%*
OTHER DURABLES										
Idaho	1,803	1,941	1,871	2,226	3,121	3,057	3,185	3,186	3,115	3,453
% Ch	*22.9%*	*7.7%*	*-3.6%*	*19.0%*	*40.2%*	*-2.0%*	*4.2%*	*0.0%*	*-2.2%*	*10.9%*
National (Thousands)	4,649	4,672	4,631	4,669	4,747	4,755	4,632	4,426	4,299	4,200
% Ch	*6.4%*	*0.5%*	*-0.9%*	*0.8%*	*1.7%*	*0.2%*	*-2.6%*	*-4.4%*	*-2.9%*	*-2.3%*

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EMPLOYMENT

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
TOTAL NONFARM EMPLOYMENT										
Idaho	461,161	477,370	492,563	508,751	521,552	539,135	558,715	571,702	585,709	599,900
% Ch	*5.6%*	*3.5%*	*3.2%*	*3.3%*	*2.5%*	*3.4%*	*3.6%*	*2.3%*	*2.4%*	*2.4%*
National (Thousands)	114,135	117,188	119,597	122,677	125,845	128,772	131,714	133,683	135,040	136,633
% Ch	*3.1%*	*2.7%*	*2.1%*	*2.6%*	*2.6%*	*2.3%*	*2.3%*	*1.5%*	*1.0%*	*1.2%*
GOODS PRODUCING SECTOR										
Idaho	103,290	103,402	106,565	109,908	111,251	113,567	117,638	119,357	121,248	123,627
% Ch	*7.5%*	*0.1%*	*3.1%*	*3.1%*	*1.2%*	*2.1%*	*3.6%*	*1.5%*	*1.6%*	*2.0%*
National (Thousands)	23,906	24,275	24,495	24,961	25,412	25,481	25,626	25,259	24,722	24,395
% Ch	*2.4%*	*1.5%*	*0.9%*	*1.9%*	*1.8%*	*0.3%*	*0.6%*	*-1.4%*	*-2.1%*	*-1.3%*
MANUFACTURING										
Idaho	71,887	71,043	72,906	74,612	76,123	76,131	78,049	79,467	81,520	84,399
% Ch	*3.8%*	*-1.2%*	*2.6%*	*2.3%*	*2.0%*	*0.0%*	*2.5%*	*1.8%*	*2.6%*	*3.5%*
National (Thousands)	18,323	18,526	18,496	18,675	18,806	18,543	18,397	18,074	17,610	17,289
% Ch	*1.4%*	*1.1%*	*-0.2%*	*1.0%*	*0.7%*	*-1.4%*	*-0.8%*	*-1.8%*	*-2.6%*	*-1.8%*
DURABLE MANUFACTURING										
Idaho	40,635	42,131	44,069	45,536	47,175	47,142	48,630	49,440	50,919	53,347
% Ch	*8.4%*	*3.7%*	*4.6%*	*3.3%*	*3.6%*	*-0.1%*	*3.2%*	*1.7%*	*3.0%*	*4.8%*
National (Thousands)	10,448	10,684	10,790	11,010	11,206	11,103	11,041	10,830	10,516	10,309
% Ch	*2.2%*	*2.3%*	*1.0%*	*2.0%*	*1.8%*	*-0.9%*	*-0.6%*	*-1.9%*	*-2.9%*	*-2.0%*
LUMBER & WOOD PRODUCTS										
Idaho	15,521	14,795	14,444	14,240	13,734	13,403	13,170	12,498	11,971	11,713
% Ch	*7.7%*	*-4.7%*	*-2.4%*	*-1.4%*	*-3.6%*	*-2.4%*	*-1.7%*	*-5.1%*	*-4.2%*	*-2.2%*
National (Thousands)	754	769	779	796	813	829	828	814	799	801
% Ch	*6.3%*	*2.0%*	*1.2%*	*2.2%*	*2.2%*	*1.9%*	*-0.1%*	*-1.7%*	*-1.9%*	*0.3%*
STONE, CLAY, GLASS, etc.										
Idaho	3,853	4,221	4,341	4,415	4,336	4,530	4,747	4,719	4,661	4,659
% Ch	*14.5%*	*9.5%*	*2.8%*	*1.7%*	*-1.8%*	*4.5%*	*4.8%*	*-0.6%*	*-1.2%*	*-0.1%*
National (Thousands)	1,920	1,977	1,993	2,031	2,071	2,081	2,077	2,020	1,972	1,951
% Ch	*3.4%*	*3.0%*	*0.8%*	*1.9%*	*2.0%*	*0.5%*	*-0.2%*	*-2.8%*	*-2.3%*	*-1.1%*
ELEC & NONELEC MACH										
Idaho	17,114	18,192	20,266	21,584	23,309	23,152	24,519	26,102	28,055	30,347
% Ch	*5.2%*	*6.3%*	*11.4%*	*6.5%*	*8.0%*	*-0.7%*	*5.9%*	*6.5%*	*7.5%*	*8.2%*
National (Thousands)	3,560	3,692	3,775	3,857	3,914	3,810	3,825	3,834	3,683	3,522
% Ch	*3.0%*	*3.7%*	*2.2%*	*2.2%*	*1.5%*	*-2.6%*	*0.4%*	*0.2%*	*-3.9%*	*-4.4%*
OTHER DURABLES										
Idaho	4,147	4,923	5,018	5,297	5,797	6,057	6,194	6,121	6,231	6,628
% Ch	*20.1%*	*18.7%*	*1.9%*	*5.5%*	*9.5%*	*4.5%*	*2.3%*	*-1.2%*	*1.8%*	*6.4%*
National (Thousands)	4,214	4,246	4,243	4,326	4,408	4,383	4,312	4,163	4,063	4,036
% Ch	*0.3%*	*0.7%*	*-0.1%*	*1.9%*	*1.9%*	*-0.6%*	*-1.6%*	*-3.4%*	*-2.4%*	*-0.7%*

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IDAHO ECONOMIC FORECAST

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EMPLOYMENT

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	27,036	27,901	26,579	27,225	28,579	28,396	28,824	30,075	30,958	31,754
% Ch	*8.9%*	*3.2%*	*-4.7%*	*2.4%*	*5.0%*	*-0.6%*	*1.5%*	*4.3%*	*2.9%*	*2.6%*
National (Thousands)	7,898	7,791	7,753	7,845	7,952	7,997	7,968	7,837	7,827	7,854
% Ch	*2.2%*	*-1.3%*	*-0.5%*	*1.2%*	*1.4%*	*0.6%*	*-0.4%*	*-1.6%*	*-0.1%*	*0.4%*
FOOD PROCESSING										
Idaho	16,622	16,580	15,412	16,099	17,336	16,984	16,805	17,487	17,819	18,564
% Ch	*2.2%*	*-0.3%*	*-7.0%*	*4.5%*	*7.7%*	*-2.0%*	*-1.1%*	*4.1%*	*1.9%*	*4.2%*
National (Thousands)	*1,612*	*1,601*	*1,607*	*1,617*	*1,626*	*1,645*	*1,661*	*1,667*	*1,662*	*1,680*
% Ch	*-0.2%*	*-0.7%*	*0.4%*	*0.6%*	*0.6%*	*1.1%*	*1.0%*	*0.4%*	*-0.3%*	*1.1%*
CANNED, CURED, & FROZEN										
Idaho	10,741	10,942	9,867	10,612	11,331	11,225	11,065	11,747	12,094	12,532
% Ch	*3.4%*	*1.9%*	*-9.8%*	*7.5%*	*6.8%*	*-0.9%*	*-1.4%*	*6.2%*	*3.0%*	*3.6%*
OTHER FOOD PROCESSING										
Idaho	5,881	5,638	5,544	5,487	6,004	5,759	5,740	5,740	5,725	6,033
% Ch	*0.0%*	*-4.1%*	*-1.7%*	*-1.0%*	*9.4%*	*-4.1%*	*-0.3%*	*0.0%*	*-0.3%*	*5.4%*
PAPER, PRINTING, PUBLISH.										
Idaho	5,474	5,984	5,946	6,067	6,373	6,592	6,976	7,179	7,172	7,145
% Ch	*9.3%*	*9.3%*	*-0.6%*	*2.0%*	*5.0%*	*3.4%*	*5.8%*	*2.9%*	*-0.1%*	*-0.4%*
National (Thousands)	2,049	2,097	2,123	2,177	2,232	2,251	2,266	2,223	2,197	2,209
% Ch	*5.0%*	*2.3%*	*1.2%*	*2.5%*	*2.5%*	*0.9%*	*0.6%*	*-1.9%*	*-1.2%*	*0.5%*
CHEMICALS										
Idaho	3,500	3,573	3,335	3,273	3,536	3,523	3,554	3,903	4,277	4,250
% Ch	*62.7%*	*2.1%*	*-6.6%*	*-1.9%*	*8.0%*	*-0.3%*	*0.9%*	*9.8%*	*9.6%*	*-0.6%*
National (Thousands)	1,049	1,044	1,021	1,025	1,057	1,074	1,086	1,076	1,084	1,081
% Ch	*0.6%*	*-0.5%*	*-2.2%*	*0.4%*	*3.2%*	*1.6%*	*1.1%*	*-0.9%*	*0.8%*	*-0.3%*
OTHER NONDURABLES										
Idaho	1,440	1,765	1,886	1,786	1,335	1,297	1,488	1,505	1,690	1,795
% Ch	*2.9%*	*22.6%*	*6.9%*	*-5.3%*	*-25.3%*	*-2.8%*	*14.8%*	*1.1%*	*12.3%*	*6.2%*
National (Thousands)	3,188	3,049	3,002	3,026	3,037	3,027	2,955	2,871	2,883	2,885
% Ch	*2.3%*	*-4.3%*	*-1.6%*	*0.8%*	*0.3%*	*-0.3%*	*-2.4%*	*-2.9%*	*0.4%*	*0.1%*
MINING										
Idaho	4,177	3,852	2,893	2,568	3,280	3,673	3,873	3,086	2,605	2,199
%Ch	*3.2%*	*-7.8%*	*-24.9%*	*-11.2%*	*27.7%*	*12.0%*	*5.4%*	*-20.3%*	*-15.6%*	*-15.6%*
National (Thousands)	965	927	777	717	712	691	709	689	634	609
%Ch	*1.4%*	*-4.0%*	*-16.1%*	*-7.7%*	*-0.7%*	*-3.0%*	*2.6%*	*-2.8%*	*-8.0%*	*-3.9%*
METAL MINING										
Idaho	2,803	2,599	1,919	1,595	2,140	2,612	2,754	1,994	1,453	1,007
%Ch	*6.3%*	*-7.3%*	*-26.2%*	*-16.9%*	*34.2%*	*22.1%*	*5.5%*	*-27.6%*	*-27.1%*	*-30.7%*
OTHER MINING										
Idaho	1,373	1,253	973	973	1,140	1,061	1,119	1,092	1,152	1,192
% Ch	*-2.7%*	*-8.8%*	*-22.3%*	*0.0%*	*17.2%*	*-6.9%*	*5.4%*	*-2.4%*	*5.5%*	*3.5%*

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EMPLOYMENT

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
MANUFACTURING (continued)										
NONDURABLE MANUFACTURING										
Idaho	31,252	28,913	28,837	29,076	28,947	28,990	29,419	30,027	30,601	31,052
% Ch	*-1.6%*	*-7.5%*	*-0.3%*	*0.8%*	*-0.4%*	*0.1%*	*1.5%*	*2.1%*	*1.9%*	*1.5%*
National (Thousands)	7,875	7,842	7,707	7,665	7,600	7,440	7,355	7,244	7,094	6,980
% Ch	*0.3%*	*-0.4%*	*-1.7%*	*-0.5%*	*-0.8%*	*-2.1%*	*-1.1%*	*-1.5%*	*-2.1%*	*-1.6%*
FOOD PROCESSING										
Idaho	18,019	17,505	17,466	17,659	17,289	17,291	17,394	17,689	17,986	18,106
% Ch	*-2.9%*	*-2.9%*	*-0.2%*	*1.1%*	*-2.1%*	*0.0%*	*0.6%*	*1.7%*	*1.7%*	*0.7%*
National (Thousands)	*1,679*	*1,693*	*1,692*	*1,685*	*1,683*	*1,677*	*1,678*	*1,686*	*1,682*	*1,669*
% Ch	*-0.1%*	*0.8%*	*0.0%*	*-0.4%*	*-0.1%*	*-0.4%*	*0.1%*	*0.5%*	*-0.2%*	*-0.8%*
CANNED, CURED, & FROZEN										
Idaho	11,705	10,864	10,681	10,552	9,997	9,958	10,136	10,349	10,487	10,442
% Ch	*-6.6%*	*-7.2%*	*-1.7%*	*-1.2%*	*-5.3%*	*-0.4%*	*1.8%*	*2.1%*	*1.3%*	*-0.4%*
OTHER FOOD PROCESSING										
Idaho	6,314	6,641	6,784	7,107	7,291	7,333	7,383	7,465	7,624	7,789
% Ch	*4.7%*	*5.2%*	*2.2%*	*4.8%*	*2.6%*	*0.6%*	*0.7%*	*1.1%*	*2.1%*	*2.2%*
PAPER, PRINTING, PUBLISH.										
Idaho	7,089	7,118	7,191	7,215	7,441	7,393	7,570	7,654	7,708	7,801
% Ch	*-0.8%*	*0.4%*	*1.0%*	*0.3%*	*3.1%*	*-0.6%*	*2.4%*	*1.1%*	*0.7%*	*1.2%*
National (Thousands)	2,230	2,239	2,224	2,235	2,242	2,221	2,207	2,192	2,165	2,138
% Ch	*0.9%*	*0.4%*	*-0.7%*	*0.5%*	*0.3%*	*-0.9%*	*-0.6%*	*-0.7%*	*-1.2%*	*-1.2%*
CHEMICALS										
Idaho	4,135	2,345	2,333	2,285	2,358	2,301	2,302	2,423	2,565	2,698
% Ch	*-2.7%*	*-43.3%*	*-0.5%*	*-2.1%*	*3.2%*	*-2.4%*	*0.0%*	*5.3%*	*5.9%*	*5.2%*
National (Thousands)	1,057	1,038	1,034	1,036	1,043	1,034	1,029	1,020	1,006	995
% Ch	*-2.2%*	*-1.8%*	*-0.4%*	*0.2%*	*0.7%*	*-0.9%*	*-0.5%*	*-0.8%*	*-1.4%*	*-1.1%*
OTHER NONDURABLES										
Idaho	2,008	1,944	1,848	1,917	1,860	2,004	2,153	2,261	2,343	2,447
% Ch	*11.9%*	*-3.2%*	*-4.9%*	*3.8%*	*-3.0%*	*7.7%*	*7.4%*	*5.0%*	*3.6%*	*4.4%*
National (Thousands)	2,910	2,872	2,757	2,709	2,632	2,509	2,442	2,346	2,240	2,177
% Ch	*0.9%*	*-1.3%*	*-4.0%*	*-1.7%*	*-2.8%*	*-4.7%*	*-2.6%*	*-4.0%*	*-4.5%*	*-2.8%*
MINING										
Idaho	2,419	2,726	3,063	3,099	2,903	2,583	2,585	2,432	2,304	2,188
%Ch	*10.0%*	*12.7%*	*12.4%*	*1.2%*	*-6.3%*	*-11.0%*	*0.1%*	*-5.9%*	*-5.3%*	*-5.0%*
National (Thousands)	601	581	580	597	590	535	542	519	494	478
%Ch	*-1.4%*	*-3.3%*	*-0.1%*	*2.9%*	*-1.1%*	*-9.2%*	*1.2%*	*-4.1%*	*-5.0%*	*-3.1%*
METAL MINING										
Idaho	1,211	1,593	1,848	1,843	1,692	1,427	1,417	1,341	1,266	1,120
%Ch	*20.2%*	*31.6%*	*16.0%*	*-0.3%*	*-8.2%*	*-15.7%*	*-0.8%*	*-5.4%*	*-5.6%*	*-11.5%*
OTHER MINING										
Idaho	1,208	1,133	1,215	1,256	1,211	1,155	1,169	1,091	1,038	1,068
% Ch	*1.4%*	*-6.2%*	*7.2%*	*3.4%*	*-3.6%*	*-4.6%*	*1.2%*	*-6.6%*	*-4.8%*	*2.9%*

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EMPLOYMENT

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	14,547	15,067	14,612	13,721	14,205	16,067	18,716	20,217	22,139	24,631
% Ch	*10.8%*	*3.6%*	*-3.0%*	*-6.1%*	*3.5%*	*13.1%*	*16.5%*	*8.0%*	*9.5%*	*11.3%*
National (Thousands)	4,378	4,667	4,810	4,958	5,096	5,171	5,125	4,655	4,492	4,665
% Ch	*11.0%*	*6.6%*	*3.1%*	*3.1%*	*2.8%*	*1.5%*	*-0.9%*	*-9.2%*	*-3.5%*	*3.9%*
SERVICE PRODUCING SECTOR										
Idaho	256,880	262,330	258,663	263,104	272,644	285,704	299,854	311,597	326,110	340,653
% Ch	*2.6%*	*2.1%*	*-1.4%*	*1.7%*	*3.6%*	*4.8%*	*5.0%*	*3.9%*	*4.7%*	*4.5%*
National (Thousands)	69,686	72,544	74,809	77,280	80,079	82,630	84,495	84,506	85,359	87,341
% Ch	*4.3%*	*4.1%*	*3.1%*	*3.3%*	*3.6%*	*3.2%*	*2.3%*	*0.0%*	*1.0%*	*2.3%*
FINANCE, INSUR, REAL ESTATE										
Idaho	23,458	23,671	18,878	19,125	19,270	19,291	19,838	20,626	21,457	22,756
% Ch	*1.9%*	*0.9%*	*-20.2%*	*1.3%*	*0.8%*	*0.1%*	*2.8%*	*4.0%*	*4.0%*	*6.1%*
National (Thousands)	5,684	5,948	6,272	6,533	6,629	6,669	6,709	6,647	6,602	6,757
% Ch	*4.0%*	*4.7%*	*5.4%*	*4.2%*	*1.5%*	*0.6%*	*0.6%*	*-0.9%*	*-0.7%*	*2.3%*
TRANS, COMMUN, PUBLIC UTIL										
Idaho	19,068	19,281	18,282	17,920	18,487	19,257	19,788	20,031	20,342	20,879
% Ch	*-0.2%*	*1.1%*	*-5.2%*	*-2.0%*	*3.2%*	*4.2%*	*2.8%*	*1.2%*	*1.6%*	*2.6%*
National (Thousands)	5,156	5,233	5,247	5,362	5,512	5,614	5,776	5,755	5,718	5,811
% Ch	*4.1%*	*1.5%*	*0.3%*	*2.2%*	*2.8%*	*1.9%*	*2.9%*	*-0.4%*	*-0.6%*	*1.6%*
TRADE										
Idaho	82,982	84,148	83,886	84,892	87,339	93,122	97,089	100,986	105,894	109,372
% Ch	*4.6%*	*1.4%*	*-0.3%*	*1.2%*	*2.9%*	*6.6%*	*4.3%*	*4.0%*	*4.9%*	*3.3%*
National (Thousands)	22,078	23,041	23,641	24,269	25,055	25,664	25,774	25,363	25,352	25,753
% Ch	*5.8%*	*4.4%*	*2.6%*	*2.7%*	*3.2%*	*2.4%*	*0.4%*	*-1.6%*	*0.0%*	*1.6%*
SERVICES										
Idaho	62,474	65,060	66,655	67,956	71,913	76,161	81,750	85,621	90,396	97,221
% Ch	*2.4%*	*4.1%*	*2.5%*	*2.0%*	*5.8%*	*5.9%*	*7.3%*	*4.7%*	*5.6%*	*7.6%*
National (Thousands)	20,745	21,927	22,957	24,109	25,500	26,904	27,930	28,335	29,047	30,193
% Ch	*5.5%*	*5.7%*	*4.7%*	*5.0%*	*5.8%*	*5.5%*	*3.8%*	*1.5%*	*2.5%*	*3.9%*
STATE & LOCAL GOVERNMENT										
Idaho	57,146	58,380	59,135	61,123	63,156	65,184	68,334	71,423	74,562	76,844
% Ch	*2.2%*	*2.2%*	*1.3%*	*3.4%*	*3.3%*	*3.2%*	*4.8%*	*4.5%*	*4.4%*	*3.1%*
National (Thousands)	13,216	13,519	13,792	14,065	14,411	14,791	15,220	15,439	15,672	15,913
% Ch	*0.9%*	*2.3%*	*2.0%*	*2.0%*	*2.5%*	*2.6%*	*2.9%*	*1.4%*	*1.5%*	*1.5%*
Idaho Education	31,439	32,317	32,845	33,422	34,572	35,603	37,263	38,840	40,454	42,027
% Ch	*3.7%*	*2.8%*	*1.6%*	*1.8%*	*3.4%*	*3.0%*	*4.7%*	*4.2%*	*4.2%*	*3.9%*
Idaho Other	25,707	26,064	26,290	27,701	28,583	29,581	31,071	32,583	34,108	34,817
% Ch	*0.3%*	*1.4%*	*0.9%*	*5.4%*	*3.2%*	*3.5%*	*5.0%*	*4.9%*	*4.7%*	*2.1%*
FEDERAL GOVERNMENT										
Idaho	11,751	11,790	11,827	12,088	12,479	12,690	13,057	12,909	13,460	13,581
% Ch	*-1.7%*	*0.3%*	*0.3%*	*2.2%*	*3.2%*	*1.7%*	*2.9%*	*-1.1%*	*4.3%*	*0.9%*
National (Thousands)	2,807	2,875	2,899	2,943	2,972	2,989	3,086	2,967	2,968	2,914
% Ch	*1.2%*	*2.4%*	*0.8%*	*1.5%*	*1.0%*	*0.6%*	*3.3%*	*-3.9%*	*0.0%*	*-1.8%*

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JULY 2000

EMPLOYMENT

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
GOODS PRODUCING (continued)										
CONSTRUCTION										
Idaho	28,983	29,632	30,596	32,197	32,225	34,853	37,004	37,458	37,424	37,039
% Ch	*17.7%*	*2.2%*	*3.3%*	*5.2%*	*0.1%*	*8.2%*	*6.2%*	*1.2%*	*-0.1%*	*-1.0%*
National (Thousands)	4,982	5,168	5,418	5,689	6,016	6,402	6,688	6,665	6,618	6,627
% Ch	*6.8%*	*3.7%*	*4.8%*	*5.0%*	*5.7%*	*6.4%*	*4.5%*	*-0.3%*	*-0.7%*	*0.1%*
SERVICE PRODUCING SECTOR										
Idaho	357,871	373,969	385,998	398,843	410,301	425,568	441,076	452,345	464,460	476,273
% Ch	*5.1%*	*4.5%*	*3.2%*	*3.3%*	*2.9%*	*3.7%*	*3.6%*	*2.6%*	*2.7%*	*2.5%*
National (Thousands)	90,229	92,913	95,103	97,716	100,433	103,290	106,088	108,424	110,317	112,237
% Ch	*3.3%*	*3.0%*	*2.4%*	*2.7%*	*2.8%*	*2.8%*	*2.7%*	*2.2%*	*1.7%*	*1.7%*
FINANCE, INSUR, REAL ESTATE										
Idaho	24,100	24,969	25,174	25,391	22,923	23,559	23,630	23,910	24,173	24,438
% Ch	*5.9%*	*3.6%*	*0.8%*	*0.9%*	*-9.7%*	*2.8%*	*0.3%*	*1.2%*	*1.1%*	*1.1%*
National (Thousands)	6,895	6,808	6,911	7,108	7,388	7,570	7,653	7,856	8,076	8,291
% Ch	*2.0%*	*-1.3%*	*1.5%*	*2.8%*	*3.9%*	*2.5%*	*1.1%*	*2.6%*	*2.8%*	*2.7%*
TRANS, COMMUN, PUBLIC UTIL										
Idaho	21,876	22,704	23,404	24,244	25,493	26,893	27,778	28,262	28,778	29,284
% Ch	*4.8%*	*3.8%*	*3.1%*	*3.6%*	*5.2%*	*5.5%*	*3.3%*	*1.7%*	*1.8%*	*1.8%*
National (Thousands)	5,985	6,134	6,254	6,408	6,611	6,824	6,995	7,108	7,205	7,294
% Ch	*3.0%*	*2.5%*	*2.0%*	*2.5%*	*3.2%*	*3.2%*	*2.5%*	*1.6%*	*1.4%*	*1.2%*
TRADE										
Idaho	116,689	121,403	125,182	129,004	132,604	136,245	142,015	146,947	151,759	156,442
% Ch	*6.7%*	*4.0%*	*3.1%*	*3.1%*	*2.8%*	*2.7%*	*4.2%*	*3.5%*	*3.3%*	*3.1%*
National (Thousands)	26,663	27,564	28,078	28,614	29,095	29,712	30,266	30,700	30,904	31,237
% Ch	*3.5%*	*3.4%*	*1.9%*	*1.9%*	*1.7%*	*2.1%*	*1.9%*	*1.4%*	*0.7%*	*1.1%*
SERVICES										
Idaho	102,832	110,108	115,981	122,631	128,757	135,751	142,783	148,142	153,520	158,701
% Ch	*5.8%*	*7.1%*	*5.3%*	*5.7%*	*5.0%*	*5.4%*	*5.2%*	*3.8%*	*3.6%*	*3.4%*
National (Thousands)	31,576	33,115	34,456	36,038	37,528	39,024	40,492	41,915	43,087	44,194
% Ch	*4.6%*	*4.9%*	*4.0%*	*4.6%*	*4.1%*	*4.0%*	*3.8%*	*3.5%*	*2.8%*	*2.6%*
STATE & LOCAL GOVERNMENT										
Idaho	78,879	81,675	83,362	84,535	87,726	90,287	91,639	92,940	94,164	95,344
% Ch	*2.6%*	*3.5%*	*2.1%*	*1.4%*	*3.8%*	*2.9%*	*1.5%*	*1.4%*	*1.3%*	*1.3%*
National (Thousands)	16,240	16,472	16,648	16,849	17,126	17,492	17,810	18,109	18,331	18,516
% Ch	*2.1%*	*1.4%*	*1.1%*	*1.2%*	*1.6%*	*2.1%*	*1.8%*	*1.7%*	*1.2%*	*1.0%*
Idaho Education	42,726	44,839	45,828	46,018	47,893	49,405	49,844	50,836	51,750	52,651
% Ch	*1.7%*	*4.9%*	*2.2%*	*0.4%*	*4.1%*	*3.2%*	*0.9%*	*2.0%*	*1.8%*	*1.7%*
Idaho Other	36,153	36,835	37,534	38,517	39,833	40,882	41,795	42,103	42,414	42,693
% Ch	*3.8%*	*1.9%*	*1.9%*	*2.6%*	*3.4%*	*2.6%*	*2.2%*	*0.7%*	*0.7%*	*0.7%*
FEDERAL GOVERNMENT										
Idaho	13,494	13,111	12,896	13,037	12,799	12,834	13,231	12,144	12,067	12,065
% Ch	*-0.6%*	*-2.8%*	*-1.6%*	*1.1%*	*-1.8%*	*0.3%*	*3.1%*	*-8.2%*	*-0.6%*	*0.0%*
National (Thousands)	2,871	2,821	2,757	2,699	2,686	2,669	2,872	2,737	2,715	2,705
% Ch	*-1.5%*	*-1.7%*	*-2.3%*	*-2.1%*	*-0.5%*	*-0.6%*	*7.6%*	*-4.7%*	*-0.8%*	*-0.4%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL
JULY 2000

MISCELLANEOUS

	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
FEDERAL TRANSFERS TO										
STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	364.0	418.5	448.0	423.0	456.2	524.2	553.0	590.9	667.9	723.9
% Ch	*3.6%*	*15.0%*	*7.1%*	*-5.6%*	*7.8%*	*14.9%*	*5.5%*	*6.8%*	*13.0%*	*8.4%*
National (Billions)	94.4	100.3	107.6	102.9	111.2	118.2	132.4	153.4	172.2	185.8
% Ch	*8.4%*	*6.3%*	*7.3%*	*-4.3%*	*8.1%*	*6.3%*	*12.0%*	*15.9%*	*12.3%*	*7.9%*
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	75.9	78.5	80.6	83.1	86.1	89.7	93.6	97.3	100.0	102.6
% Ch	*3.8%*	*3.4%*	*2.6%*	*3.1%*	*3.7%*	*4.2%*	*4.4%*	*3.9%*	*2.8%*	*2.6%*
Consumption Expenditures	73.1	75.8	78.0	81.0	84.3	88.4	92.9	96.8	100.0	102.7
% Ch	*3.8%*	*3.7%*	*2.8%*	*3.8%*	*4.2%*	*4.9%*	*5.1%*	*4.2%*	*3.3%*	*2.7%*
Durable Goods	86.7	87.8	88.9	91.6	93.3	95.3	96.6	98.5	100.0	101.2
% Ch	*1.4%*	*1.2%*	*1.3%*	*3.0%*	*1.8%*	*2.2%*	*1.4%*	*2.0%*	*1.5%*	*1.2%*
Nondurable Goods	76.7	78.7	78.7	81.8	84.8	89.3	94.6	98.1	100.0	101.5
% Ch	*2.8%*	*2.6%*	*0.0%*	*3.9%*	*3.7%*	*5.2%*	*6.0%*	*3.6%*	*2.0%*	*1.5%*
Services	68.2	71.6	75.3	78.2	82.2	86.6	91.2	95.8	100.0	103.6
% Ch	*5.1%*	*5.1%*	*5.1%*	*3.9%*	*5.0%*	*5.4%*	*5.4%*	*5.0%*	*4.4%*	*3.6%*
Cons. Price Index (1982-84)	103.9	107.6	109.7	113.7	118.4	124.0	130.8	136.3	140.4	144.6
% Ch	*4.4%*	*3.5%*	*1.9%*	*3.7%*	*4.1%*	*4.8%*	*5.4%*	*4.2%*	*3.0%*	*3.0%*
SELECTED INTEREST RATES										
Federal Funds	10.23%	8.10%	6.81%	6.66%	7.57%	9.22%	8.10%	5.69%	3.52%	3.02%
Prime	12.04%	9.93%	8.33%	8.20%	9.32%	10.87%	10.01%	8.46%	6.25%	6.00%
New Home Mortgage	12.37%	11.58%	10.26%	9.31%	9.18%	10.11%	10.01%	9.30%	8.25%	7.24%
U.S. Govt. 3-Month Bills	9.52%	7.48%	5.98%	5.78%	6.67%	8.11%	7.49%	5.38%	3.43%	3.00%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	89.8	92.0	99.6	104.9	105.1	104.3	101.6	94.5	100.0	100.8
% Ch	*7.8%*	*2.4%*	*8.3%*	*5.3%*	*0.2%*	*-0.8%*	*-2.6%*	*-6.9%*	*5.8%*	*0.8%*
Office & Computer Equip.	42.0	50.3	53.7	62.2	74.6	83.0	81.4	82.3	100.0	120.5
% Ch	*42.2%*	*19.8%*	*6.7%*	*15.9%*	*19.9%*	*11.2%*	*-1.9%*	*1.1%*	*21.4%*	*20.5%*
Electrical Machinery	66.7	68.4	71.0	75.6	82.5	85.8	87.7	89.6	100.0	110.7
% Ch	*19.3%*	*2.6%*	*3.7%*	*6.6%*	*9.1%*	*3.9%*	*2.3%*	*2.1%*	*11.6%*	*10.7%*
Electronic Components	40.6	41.2	44.2	51.9	58.5	65.2	72.1	80.9	100.0	117.9
% Ch	*36.2%*	*1.6%*	*7.3%*	*17.4%*	*12.7%*	*11.5%*	*10.4%*	*12.2%*	*23.7%*	*17.9%*
Food	86.4	88.9	91.2	93.5	94.9	95.9	97.0	98.4	100.0	102.0
% Ch	*2.1%*	*2.9%*	*2.6%*	*2.6%*	*1.4%*	*1.1%*	*1.2%*	*1.4%*	*1.6%*	*2.0%*
Paper	85.0	83.8	88.3	90.9	93.8	95.4	96.0	96.8	100.0	104.0
% Ch	*4.9%*	*-1.4%*	*5.3%*	*3.0%*	*3.1%*	*1.7%*	*0.6%*	*0.8%*	*3.3%*	*4.0%*
Agricultural Chemicals	85.7	80.7	74.8	84.6	90.0	97.2	100.4	97.6	100.0	100.8
% Ch	*16.5%*	*-5.8%*	*-7.4%*	*13.1%*	*6.4%*	*8.1%*	*3.3%*	*-2.8%*	*2.5%*	*0.8%*
Metals & Minerals Mining	75.2	76.3	77.1	80.6	88.4	93.8	98.4	95.2	100.0	100.8
% Ch	*10.8%*	*1.4%*	*1.0%*	*4.6%*	*9.7%*	*6.2%*	*4.9%*	*-3.3%*	*5.1%*	*0.8%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

ANNUAL DETAIL
JULY 2000

MISCELLANEOUS

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS										
Idaho (Millions)	766.2	835.6	910.5	934.1	992.7	1,062.0	1,137.1	1,217.2	1,293.1	1,373.1
% Ch	*5.8%*	*9.1%*	*9.0%*	*2.6%*	*6.3%*	*7.0%*	*7.1%*	*7.0%*	*6.2%*	*6.2%*
National (Billions)	180.3	184.5	190.4	195.7	209.3	225.5	242.5	261.1	278.5	296.9
% Ch	*-3.0%*	*2.3%*	*3.2%*	*2.7%*	*7.0%*	*7.7%*	*7.6%*	*7.7%*	*6.6%*	*6.6%*
SELECTED CHAIN-WEIGHTED DEFL.										
Gross Domestic Product	104.6	106.8	108.9	111.0	112.3	113.8	116.3	118.5	120.7	123.2
% Ch	*1.9%*	*2.1%*	*1.9%*	*1.9%*	*1.2%*	*1.4%*	*2.1%*	*1.9%*	*1.8%*	*2.0%*
Consumption Expenditures	104.6	106.8	109.1	111.3	112.3	114.1	116.9	119.3	122.1	125.1
% Ch	*1.9%*	*2.2%*	*2.1%*	*2.0%*	*0.9%*	*1.6%*	*2.5%*	*2.0%*	*2.4%*	*2.5%*
Durable Goods	102.5	102.8	101.7	99.5	97.1	94.6	93.1	92.2	91.9	91.9
% Ch	*1.2%*	*0.3%*	*-1.0%*	*-2.2%*	*-2.4%*	*-2.6%*	*-1.6%*	*-0.9%*	*-0.3%*	*0.0%*
Nondurable Goods	101.9	102.9	105.0	106.5	106.5	109.0	113.1	115.0	117.9	120.8
% Ch	*0.5%*	*0.9%*	*2.1%*	*1.3%*	*0.0%*	*2.3%*	*3.8%*	*1.7%*	*2.5%*	*2.5%*
Services	106.5	109.9	113.0	116.6	119.0	121.5	124.7	128.1	131.8	135.7
% Ch	*2.7%*	*3.2%*	*2.8%*	*3.2%*	*2.1%*	*2.1%*	*2.7%*	*2.7%*	*2.8%*	*3.0%*
Cons. Price Index (1982-84)	148.3	152.5	157.0	160.6	163.1	166.7	172.0	176.1	180.5	185.3
% Ch	*2.6%*	*2.8%*	*2.9%*	*2.3%*	*1.6%*	*2.2%*	*3.2%*	*2.4%*	*2.5%*	*2.6%*
SELECTED INTEREST RATES										
Federal Funds	4.20%	5.84%	5.30%	5.46%	5.35%	4.97%	6.36%	6.76%	6.50%	6.10%
Prime	7.14%	8.83%	8.27%	8.44%	8.35%	7.99%	9.36%	9.75%	9.50%	9.10%
New Home Mortgage	7.47%	7.85%	7.77%	7.73%	7.08%	7.06%	8.05%	8.40%	8.24%	7.94%
U.S. Govt. 3-Month Bills	4.25%	5.49%	5.01%	5.06%	4.78%	4.64%	5.84%	6.01%	5.86%	5.56%
SELECTED US PRODUCTION INDICES										
Lumber & Wood Products	105.9	107.9	110.1	115.0	118.5	121.4	120.7	119.1	118.1	120.1
% Ch	*5.1%*	*1.9%*	*2.0%*	*4.5%*	*3.1%*	*2.4%*	*-0.6%*	*-1.3%*	*-0.8%*	*1.6%*
Office & Computer Equip.	154.8	208.8	296.0	403.9	675.1	1,067.5	1,473.4	1,855.0	2,255.9	2,675.9
% Ch	*28.5%*	*34.9%*	*41.8%*	*36.4%*	*67.2%*	*58.1%*	*38.0%*	*25.9%*	*21.6%*	*18.6%*
Electrical Machinery	130.8	165.7	206.6	260.0	315.1	386.0	479.8	510.0	544.5	584.1
% Ch	*18.1%*	*26.7%*	*24.7%*	*25.9%*	*21.2%*	*22.5%*	*24.3%*	*6.3%*	*6.8%*	*7.3%*
Electronic Components	152.4	241.0	359.3	540.8	768.6	1,114.7	1,665.2	1,971.2	2,321.2	2,719.0
% Ch	*29.3%*	*58.1%*	*49.1%*	*50.5%*	*42.1%*	*45.0%*	*49.4%*	*18.4%*	*17.8%*	*17.1%*
Food	103.7	105.8	105.4	107.8	109.3	110.2	111.3	113.1	114.6	115.6
% Ch	*1.6%*	*2.0%*	*-0.4%*	*2.3%*	*1.4%*	*0.8%*	*1.0%*	*1.6%*	*1.4%*	*0.8%*
Paper	108.4	109.6	108.8	114.3	114.9	116.2	117.1	118.1	120.2	122.3
% Ch	*4.2%*	*1.1%*	*-0.7%*	*5.1%*	*0.5%*	*1.2%*	*0.8%*	*0.9%*	*1.7%*	*1.7%*
Agricultural Chemicals	100.5	100.3	102.3	106.0	110.9	111.8	108.9	111.6	114.4	116.5
% Ch	*-0.3%*	*-0.2%*	*2.0%*	*3.6%*	*4.6%*	*0.8%*	*-2.6%*	*2.5%*	*2.5%*	*1.8%*
Metals & Minerals Mining	105.0	108.0	110.2	115.9	117.4	113.4	110.7	110.8	115.9	123.9
% Ch	*4.2%*	*2.8%*	*2.0%*	*5.2%*	*1.3%*	*-3.4%*	*-2.3%*	*0.0%*	*4.6%*	*6.9%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

DEMOGRAPHICS

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,202.6	1,208.3	1,213.9	1,219.0	1,223.9	1,228.6	1,233.4	1,238.1	1,243.5	1,249.1	1,254.5	1,260.2
% Ch	*1.9%*	*1.9%*	*1.9%*	*1.7%*	*1.6%*	*1.5%*	*1.6%*	*1.5%*	*1.8%*	*1.8%*	*1.7%*	*1.8%*
National (Millions)	267.3	267.7	268.4	269.0	269.7	270.3	270.9	271.6	272.2	272.8	273.4	274.1
% Ch	*0.9%*	*0.7%*	*1.0%*	*1.0%*	*1.0%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS												
Idaho (Thousands)	18.558	18.590	18.618	18.629	18.856	19.077	19.300	19.521	19.590	19.667	19.737	19.842
% Ch	*-3.5%*	*0.7%*	*0.6%*	*0.2%*	*5.0%*	*4.8%*	*4.8%*	*4.6%*	*1.4%*	*1.6%*	*1.4%*	*2.2%*
National (Thousands)	3,898	3,894	3,890	3,887	3,884	3,881	3,879	3,877	3,876	3,874	3,873	3,873
% Ch	*-0.5%*	*-0.5%*	*-0.4%*	*-0.3%*	*-0.3%*	*-0.3%*	*-0.2%*	*-0.2%*	*-0.1%*	*-0.2%*	*-0.1%*	*-0.1%*
DEATHS												
Idaho (Thousands)	8.891	8.933	8.974	9.013	9.050	9.086	9.123	9.159	9.199	9.240	9.280	9.321
% Ch	*6.5%*	*1.9%*	*1.8%*	*1.7%*	*1.7%*	*1.6%*	*1.6%*	*1.6%*	*1.8%*	*1.8%*	*1.7%*	*1.8%*
National (Thousands)	2,335	2,342	2,348	2,355	2,362	2,369	2,375	2,382	2,389	2,396	2,402	2,409
% Ch	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.2%*	*1.1%*	*1.1%*	*1.1%*	*1.2%*	*1.1%*	*1.1%*	*1.0%*
NET MIGRATION												
Idaho (Thousands)	13.263	13.143	12.756	10.784	9.794	8.810	9.023	8.438	11.209	11.973	11.143	12.279
HOUSING												
HOUSING STARTS												
Idaho	8,137	8,307	9,398	9,585	10,522	9,874	9,502	10,571	10,048	10,356	10,453	10,439
% Ch	*-0.8%*	*8.6%*	*63.8%*	*8.2%*	*45.2%*	*-22.4%*	*-14.2%*	*53.1%*	*-18.4%*	*12.9%*	*3.8%*	*-0.5%*
National (Millions)	*1.433*	*1.476*	*1.458*	*1.532*	*1.559*	*1.572*	*1.631*	*1.722*	*1.760*	*1.591*	*1.663*	*1.689*
% Ch	*4.5%*	*12.7%*	*-4.9%*	*22.0%*	*7.1%*	*3.6%*	*15.9%*	*24.3%*	*9.0%*	*-33.2%*	*19.5%*	*6.5%*
SINGLE UNITS												
Idaho	7,206	7,260	7,836	8,323	9,060	8,775	8,824	9,485	9,218	9,385	9,035	9,101
% Ch	*-5.9%*	*3.0%*	*35.7%*	*27.3%*	*40.4%*	*-12.0%*	*2.2%*	*33.5%*	*-10.8%*	*7.5%*	*-14.1%*	*3.0%*
National (Millions)	1.140	1.116	1.146	1.143	1.228	1.239	1.279	1.364	1.383	1.295	1.308	1.376
% Ch	*16.1%*	*-7.9%*	*11.1%*	*-0.9%*	*33.2%*	*3.5%*	*13.4%*	*29.6%*	*5.6%*	*-23.1%*	*4.0%*	*22.6%*
MULTIPLE UNITS												
Idaho	930	1,046	1,562	1,262	1,462	1,099	679	1,086	830	971	1,418	1,337
% Ch	*52.8%*	*60.0%*	*396.6%*	*-57.3%*	*80.0%*	*-68.1%*	*-85.4%*	*556.1%*	*-65.9%*	*87.3%*	*354.4%*	*-20.8%*
National (Millions)	0.293	0.360	0.312	0.389	0.330	0.333	0.353	0.358	0.377	0.296	0.355	0.313
% Ch	*-28.8%*	*127.1%*	*-43.6%*	*141.9%*	*-47.8%*	*3.7%*	*25.3%*	*6.2%*	*22.5%*	*-62.0%*	*108.6%*	*-39.5%*
HOUSING STOCK												
Idaho (Thousands)	390.8	392.6	394.6	396.7	399.0	401.2	403.3	405.6	407.8	410.1	412.4	414.7
% Ch	*1.8%*	*1.8%*	*2.1%*	*2.1%*	*2.4%*	*2.2%*	*2.1%*	*2.3%*	*2.2%*	*2.3%*	*2.3%*	*2.2%*

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Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

DEMOGRAPHICS

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
POPULATION												
Idaho (Thousands)	1,265.9	1,272.1	1,277.4	1,281.8	1,286.6	1,291.4	1,296.5	1,301.8	1,306.8	1,311.6	1,316.5	1,321.1
% Ch	*1.8%*	*2.0%*	*1.7%*	*1.4%*	*1.5%*	*1.5%*	*1.6%*	*1.7%*	*1.5%*	*1.5%*	*1.5%*	*1.4%*
National (Millions)	274.7	275.3	275.9	276.6	277.2	277.8	278.4	279.1	279.7	280.3	280.9	281.6
% Ch	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*
BIRTHS												
Idaho (Thousands)	19.948	20.070	20.160	20.220	20.295	20.369	20.453	20.546	20.625	20.698	20.775	20.841
% Ch	*2.1%*	*2.5%*	*1.8%*	*1.2%*	*1.5%*	*1.5%*	*1.7%*	*1.8%*	*1.5%*	*1.4%*	*1.5%*	*1.3%*
National (Thousands)	3,872	3,872	3,872	3,873	3,874	3,875	3,877	3,879	3,881	3,883	3,886	3,890
% Ch	*-0.1%*	*-0.1%*	*0.0%*	*0.1%*	*0.1%*	*0.1%*	*0.2%*	*0.2%*	*0.2%*	*0.2%*	*0.3%*	*0.4%*
DEATHS												
Idaho (Thousands)	9.363	9.407	9.446	9.481	9.517	9.554	9.592	9.632	9.669	9.706	9.743	9.778
% Ch	*1.8%*	*1.9%*	*1.7%*	*1.5%*	*1.6%*	*1.5%*	*1.6%*	*1.7%*	*1.6%*	*1.5%*	*1.5%*	*1.5%*
National (Thousands)	2,415	2,421	2,427	2,433	2,438	2,443	2,449	2,454	2,459	2,465	2,470	2,475
% Ch	*1.1%*	*1.0%*	*1.0%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.9%*	*0.8%*	*0.8%*
NET MIGRATION												
Idaho (Thousands)	12.275	14.115	10.358	6.891	8.465	8.405	9.515	10.481	8.858	8.201	8.487	7.245
HOUSING												
HOUSING STARTS												
Idaho	10,825	10,551	10,547	10,572	10,511	10,449	10,310	10,136	10,068	10,055	10,090	10,121
% Ch	*15.7%*	*-9.7%*	*-0.2%*	*1.0%*	*-2.3%*	*-2.4%*	*-5.2%*	*-6.6%*	*-2.7%*	*-0.5%*	*1.4%*	*1.2%*
National (Millions)	*1.728*	*1.686*	*1.613*	*1.582*	*1.569*	*1.536*	*1.494*	*1.476*	*1.477*	*1.483*	*1.488*	*1.503*
% Ch	*9.5%*	*-9.3%*	*-16.4%*	*-7.3%*	*-3.3%*	*-8.1%*	*-10.6%*	*-4.7%*	*0.2%*	*1.6%*	*1.3%*	*4.2%*
SINGLE UNITS												
Idaho	9,683	9,534	9,601	9,706	9,731	9,726	9,656	9,545	9,494	9,476	9,484	9,482
% Ch	*28.1%*	*-6.0%*	*2.9%*	*4.4%*	*1.0%*	*-0.2%*	*-2.8%*	*-4.5%*	*-2.1%*	*-0.8%*	*0.3%*	*-0.1%*
National (Millions)	1.337	1.330	1.257	1.227	1.208	1.177	1.142	1.127	1.128	1.132	1.135	1.146
% Ch	*-11.0%*	*-2.0%*	*-20.1%*	*-9.5%*	*-5.9%*	*-10.0%*	*-11.3%*	*-5.0%*	*0.3%*	*1.4%*	*0.9%*	*3.9%*
MULTIPLE UNITS												
Idaho	1,142	1,018	946	867	780	723	654	592	574	579	606	639
% Ch	*-46.9%*	*-36.9%*	*-25.4%*	*-29.5%*	*-34.2%*	*-26.4%*	*-32.8%*	*-33.2%*	*-11.4%*	*3.2%*	*20.6%*	*23.3%*
National (Millions)	0.391	0.357	0.355	0.355	0.361	0.359	0.352	0.349	0.349	0.351	0.353	0.357
% Ch	*143.3%*	*-31.0%*	*-1.7%*	*0.4%*	*6.4%*	*-1.7%*	*-8.1%*	*-3.5%*	*0.2%*	*2.2%*	*2.7%*	*4.9%*
HOUSING STOCK												
Idaho (Thousands)	417.1	419.4	421.8	424.1	426.4	428.7	431.0	433.2	435.4	437.5	439.7	441.9
% Ch	*2.3%*	*2.2%*	*2.2%*	*2.2%*	*2.2%*	*2.2%*	*2.1%*	*2.1%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*

National Variables Forecast by Standard and Poor's DRI
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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

OUTPUT, INCOME, & WAGES

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	8,125.9	8,259.5	8,364.5	8,453.0	8,610.6	8,683.7	8,797.9	8,947.6	9,072.7	9,146.2	9,297.8	9,507.9
% Ch	*7.4%*	*6.7%*	*5.2%*	*4.3%*	*7.7%*	*3.4%*	*5.4%*	*7.0%*	*5.7%*	*3.3%*	*6.8%*	*9.3%*
1992 Chain-Weighted	7,364.8	7,453.6	7,524.2	7,580.2	7,706.9	7,748.4	7,821.3	7,935.0	8,006.7	8,044.1	8,155.7	8,300.3
% Ch	*4.5%*	*4.9%*	*3.8%*	*3.0%*	*6.9%*	*2.2%*	*3.8%*	*5.9%*	*3.7%*	*1.9%*	*5.7%*	*7.3%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	24,869	25,294	25,659	25,937	26,480	26,797	27,337	28,095	28,721	29,093	29,458	30,114
% Ch	*5.9%*	*7.0%*	*5.9%*	*4.4%*	*8.6%*	*4.9%*	*8.3%*	*11.6%*	*9.2%*	*5.3%*	*5.1%*	*9.2%*
Idaho Nonfarm (Millions)	24,221	24,650	25,002	25,292	25,760	26,050	26,516	26,914	27,510	27,821	28,419	28,951
% Ch	*9.0%*	*7.3%*	*5.8%*	*4.7%*	*7.6%*	*4.6%*	*7.3%*	*6.1%*	*9.2%*	*4.6%*	*8.9%*	*7.7%*
National (Billions)	6,808	6,901	6,994	7,103	7,195	7,296	7,414	7,531	7,630	7,733	7,831	7,973
% Ch	*8.0%*	*5.6%*	*5.5%*	*6.4%*	*5.3%*	*5.8%*	*6.6%*	*6.5%*	*5.4%*	*5.5%*	*5.2%*	*7.4%*
PERSONAL INCOME - 1992 $												
Idaho (Millions)	22,443	22,763	23,019	23,198	23,669	23,887	24,300	24,903	25,366	25,553	25,756	26,170
% Ch	*3.2%*	*5.8%*	*4.6%*	*3.1%*	*8.4%*	*3.7%*	*7.1%*	*10.3%*	*7.6%*	*3.0%*	*3.2%*	*6.6%*
Idaho Nonfarm (Millions)	21,858	22,184	22,430	22,621	23,025	23,221	23,571	23,856	24,296	24,436	24,848	25,160
% Ch	*6.2%*	*6.1%*	*4.5%*	*3.5%*	*7.3%*	*3.5%*	*6.2%*	*4.9%*	*7.6%*	*2.3%*	*6.9%*	*5.1%*
National (Billions)	6,143	6,210	6,274	6,352	6,431	6,504	6,590	6,675	6,739	6,792	6,847	6,928
% Ch	*5.2%*	*4.4%*	*4.2%*	*5.1%*	*5.0%*	*4.6%*	*5.4%*	*5.3%*	*3.8%*	*3.2%*	*3.3%*	*4.8%*
PER CAPITA PERS INC - CURR $												
Idaho	20,679	20,934	21,138	21,277	21,636	21,811	22,164	22,692	23,097	23,291	23,482	23,896
% Ch	*3.9%*	*5.0%*	*4.0%*	*2.7%*	*6.9%*	*3.3%*	*6.6%*	*9.9%*	*7.3%*	*3.4%*	*3.3%*	*7.2%*
National	25,469	25,773	26,058	26,402	26,680	26,993	27,363	27,731	28,032	28,343	28,640	29,091
% Ch	*7.0%*	*4.9%*	*4.5%*	*5.4%*	*4.3%*	*4.8%*	*5.6%*	*5.5%*	*4.4%*	*4.5%*	*4.3%*	*6.5%*
PER CAPITA PERS INC - 1992 $												
Idaho	18,662	18,839	18,963	19,030	19,339	19,443	19,702	20,114	20,399	20,457	20,531	20,767
% Ch	*1.3%*	*3.9%*	*2.7%*	*1.4%*	*6.6%*	*2.2%*	*5.4%*	*8.6%*	*5.8%*	*1.2%*	*1.5%*	*4.7%*
National	22,983	23,193	23,376	23,613	23,848	24,062	24,323	24,581	24,757	24,894	25,040	25,280
% Ch	*4.3%*	*3.7%*	*3.2%*	*4.1%*	*4.0%*	*3.6%*	*4.4%*	*4.3%*	*2.9%*	*2.2%*	*2.4%*	*3.9%*
AVERAGE ANNUAL WAGE												
Idaho	24,455	24,749	24,965	25,088	25,512	25,575	25,929	26,234	26,837	26,808	27,266	27,425
% Ch	*5.0%*	*4.9%*	*3.5%*	*2.0%*	*6.9%*	*1.0%*	*5.7%*	*4.8%*	*9.5%*	*-0.4%*	*7.0%*	*2.4%*
National	31,208	31,468	31,826	32,287	32,675	33,041	33,479	33,846	34,205	34,514	34,937	35,256
% Ch	*5.7%*	*3.4%*	*4.6%*	*5.9%*	*4.9%*	*4.6%*	*5.4%*	*4.5%*	*4.3%*	*3.7%*	*5.0%*	*3.7%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

OUTPUT, INCOME, & WAGES

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GROSS DOM. PRODUCT (Billions)												
Current Dollars	9,697.6	9,854.3	9,977.6	10,102.4	10,235.3	10,336.3	10,445.9	10,563.3	10,698.1	10,833.7	10,981.9	11,150.1
% Ch	*8.2%*	*6.6%*	*5.1%*	*5.1%*	*5.4%*	*4.0%*	*4.3%*	*4.6%*	*5.2%*	*5.2%*	*5.6%*	*6.3%*
1992 Chain-Weighted	8,410.0	8,495.0	8,557.5	8,628.4	8,696.6	8,746.7	8,803.2	8,865.7	8,933.5	9,006.7	9,087.9	9,182.6
% Ch	*5.4%*	*4.1%*	*3.0%*	*3.4%*	*3.2%*	*2.3%*	*2.6%*	*2.9%*	*3.1%*	*3.3%*	*3.7%*	*4.2%*
PERSONAL INCOME - CURR $												
Idaho (Millions)	30,742	31,263	31,731	32,193	32,692	33,200	33,685	34,173	34,676	35,174	35,676	36,198
% Ch	*8.6%*	*6.9%*	*6.1%*	*5.9%*	*6.4%*	*6.4%*	*6.0%*	*5.9%*	*6.0%*	*5.9%*	*5.8%*	*6.0%*
Idaho Nonfarm (Millions)	29,581	30,131	30,610	31,059	31,594	32,061	32,522	32,989	33,504	34,009	34,514	35,039
% Ch	*9.0%*	*7.7%*	*6.5%*	*6.0%*	*7.1%*	*6.1%*	*5.9%*	*5.9%*	*6.4%*	*6.2%*	*6.1%*	*6.2%*
National (Billions)	8,093	8,222	8,347	8,466	8,608	8,726	8,837	8,949	9,070	9,183	9,295	9,420
% Ch	*6.1%*	*6.6%*	*6.2%*	*5.8%*	*6.9%*	*5.6%*	*5.2%*	*5.2%*	*5.5%*	*5.1%*	*5.0%*	*5.5%*
PERSONAL INCOME - 1992 $												
Idaho (Millions)	26,510	26,776	27,047	27,344	27,627	27,914	28,173	28,424	28,668	28,903	29,134	29,378
% Ch	*5.3%*	*4.1%*	*4.1%*	*4.5%*	*4.2%*	*4.2%*	*3.8%*	*3.6%*	*3.5%*	*3.3%*	*3.2%*	*3.4%*
Idaho Nonfarm (Millions)	25,509	25,807	26,091	26,381	26,699	26,956	27,201	27,440	27,699	27,945	28,185	28,437
% Ch	*5.7%*	*4.8%*	*4.5%*	*4.5%*	*4.9%*	*3.9%*	*3.7%*	*3.6%*	*3.8%*	*3.6%*	*3.5%*	*3.6%*
National (Billions)	6,978	7,047	7,120	7,196	7,279	7,342	7,396	7,449	7,504	7,551	7,596	7,650
% Ch	*2.9%*	*4.0%*	*4.2%*	*4.3%*	*4.7%*	*3.5%*	*3.0%*	*2.9%*	*3.0%*	*2.6%*	*2.4%*	*2.9%*
PER CAPITA PERS INC - CURR $												
Idaho	24,285	24,576	24,841	25,116	25,410	25,709	25,982	26,249	26,535	26,818	27,100	27,401
% Ch	*6.7%*	*4.9%*	*4.4%*	*4.5%*	*4.8%*	*4.8%*	*4.3%*	*4.2%*	*4.4%*	*4.3%*	*4.3%*	*4.5%*
National	29,461	29,866	30,252	30,613	31,056	31,411	31,739	32,068	32,430	32,761	33,088	33,456
% Ch	*5.2%*	*5.6%*	*5.3%*	*4.9%*	*5.9%*	*4.6%*	*4.2%*	*4.2%*	*4.6%*	*4.1%*	*4.1%*	*4.5%*
PER CAPITA PERS INC - 1992 $												
Idaho	20,942	21,048	21,174	21,333	21,473	21,615	21,730	21,834	21,937	22,037	22,130	22,238
% Ch	*3.4%*	*2.1%*	*2.4%*	*3.0%*	*2.7%*	*2.7%*	*2.1%*	*1.9%*	*1.9%*	*1.8%*	*1.7%*	*2.0%*
National	25,404	25,597	25,803	26,020	26,263	26,427	26,564	26,693	26,830	26,939	27,039	27,171
% Ch	*2.0%*	*3.1%*	*3.3%*	*3.4%*	*3.8%*	*2.5%*	*2.1%*	*2.0%*	*2.1%*	*1.6%*	*1.5%*	*2.0%*
AVERAGE ANNUAL WAGE												
Idaho	27,736	28,020	28,421	28,730	29,059	29,377	29,697	29,998	30,293	30,591	30,889	31,183
% Ch	*4.6%*	*4.2%*	*5.8%*	*4.4%*	*4.7%*	*4.5%*	*4.4%*	*4.1%*	*4.0%*	*4.0%*	*4.0%*	*3.9%*
National	35,673	35,964	36,481	36,852	37,314	37,727	38,130	38,522	38,934	39,318	39,706	40,098
% Ch	*4.8%*	*3.3%*	*5.9%*	*4.1%*	*5.1%*	*4.5%*	*4.3%*	*4.2%*	*4.4%*	*4.0%*	*4.0%*	*4.0%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

PERSONAL INCOME -- CURR $$

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	12,782	13,032	13,267	13,402	13,675	13,796	14,059	14,334	14,786	14,920	15,312	15,525
% Ch	*9.8%*	*8.1%*	*7.4%*	*4.1%*	*8.4%*	*3.6%*	*7.8%*	*8.1%*	*13.2%*	*3.7%*	*10.9%*	*5.7%*
National (Billions)	3,790	3,849	3,915	4,002	4,076	4,146	4,224	4,297	4,371	4,433	4,509	4,576
% Ch	*8.4%*	*6.4%*	*7.1%*	*9.2%*	*7.6%*	*7.0%*	*7.8%*	*7.1%*	*7.1%*	*5.7%*	*7.1%*	*6.0%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	328	308	312	297	380	412	488	846	867	916	668	779
% Ch	*-82.6%*	*-22.2%*	*5.3%*	*-17.9%*	*168.0%*	*38.2%*	*96.8%*	*803.2%*	*10.3%*	*24.6%*	*-71.7%*	*84.9%*
National (Billions)	33	30	29	26	18	19	23	41	32	34	21	38
% Ch	*10.5%*	*-25.4%*	*-16.1%*	*-31.4%*	*-80.4%*	*30.4%*	*124.9%*	*938.7%*	*-61.2%*	*21.9%*	*-85.7%*	*932.7%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	2,443	2,496	2,524	2,553	2,600	2,614	2,657	2,708	2,749	2,805	2,848	2,926
% Ch	*11.8%*	*9.0%*	*4.6%*	*4.7%*	*7.6%*	*2.2%*	*6.7%*	*7.9%*	*6.2%*	*8.4%*	*6.3%*	*11.4%*
National (Billions)	537	545	554	561	569	576	584	596	607	621	633	647
% Ch	*12.2%*	*6.3%*	*6.8%*	*5.2%*	*5.9%*	*4.6%*	*5.7%*	*8.8%*	*7.9%*	*9.3%*	*7.9%*	*9.4%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	4,921	5,073	5,169	5,274	5,327	5,429	5,528	5,554	5,586	5,689	5,809	6,030
% Ch	*11.9%*	*12.9%*	*7.8%*	*8.4%*	*4.1%*	*7.9%*	*7.5%*	*1.9%*	*2.3%*	*7.6%*	*8.7%*	*16.1%*
National (Billions)	1,288	1,313	1,328	1,345	1,356	1,376	1,397	1,405	1,412	1,430	1,445	1,479
% Ch	*7.0%*	*7.8%*	*4.6%*	*5.3%*	*3.3%*	*6.2%*	*6.1%*	*2.5%*	*1.9%*	*5.3%*	*4.1%*	*9.8%*
OTHER LABOR INCOME												
Idaho (Millions)	1,743	1,750	1,755	1,752	1,777	1,786	1,806	1,827	1,874	1,885	1,919	1,932
% Ch	*2.8%*	*1.6%*	*1.1%*	*-0.7%*	*5.8%*	*2.0%*	*4.6%*	*4.7%*	*10.7%*	*2.4%*	*7.4%*	*2.7%*
National (Billions)	496	499	502	506	510	514	518	522	528	533	539	544
% Ch	*4.0%*	*2.4%*	*2.7%*	*2.7%*	*3.0%*	*3.2%*	*3.3%*	*3.4%*	*4.6%*	*3.9%*	*4.2%*	*3.9%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,391	3,383	3,392	3,415	3,491	3,528	3,576	3,613	3,682	3,706	3,740	3,779
% Ch	*5.1%*	*-0.9%*	*1.1%*	*2.7%*	*9.2%*	*4.3%*	*5.6%*	*4.2%*	*7.9%*	*2.6%*	*3.7%*	*4.2%*
National (Billions)	956	961	965	968	977	980	987	991	1,008	1,014	1,021	1,030
% Ch	*7.9%*	*1.8%*	*1.8%*	*1.2%*	*3.8%*	*1.4%*	*2.7%*	*1.8%*	*6.9%*	*2.3%*	*3.1%*	*3.5%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,023	1,039	1,054	1,060	1,081	1,086	1,102	1,119	1,159	1,166	1,191	1,203
% Ch	*10.0%*	*6.4%*	*5.9%*	*2.3%*	*8.2%*	*1.9%*	*6.0%*	*6.3%*	*15.1%*	*2.4%*	*8.9%*	*4.1%*
National (Billions)	292	296	300	305	310	314	318	322	329	332	337	340
% Ch	*9.1%*	*5.0%*	*5.7%*	*7.1%*	*6.9%*	*5.0%*	*5.5%*	*5.1%*	*8.9%*	*4.2%*	*5.3%*	*4.4%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	284	290	294	306	310	319	326	332	337	338	353	347
% Ch	*12.1%*	*8.7%*	*5.6%*	*17.4%*	*5.3%*	*12.1%*	*9.1%*	*7.6%*	*6.2%*	*1.2%*	*19.0%*	*-6.6%*

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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

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PERSONAL INCOME -- CURR $$

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
WAGE AND SALARY PAYMENTS												
Idaho (Millions)	15,920	16,207	16,488	16,739	17,040	17,334	17,620	17,897	18,179	18,468	18,759	19,047
% Ch	*10.6%*	*7.4%*	*7.1%*	*6.2%*	*7.4%*	*7.1%*	*6.8%*	*6.4%*	*6.5%*	*6.5%*	*6.5%*	*6.3%*
National (Billions)	4,660	4,735	4,815	4,886	4,968	5,038	5,104	5,169	5,237	5,302	5,367	5,438
% Ch	*7.6%*	*6.6%*	*7.0%*	*6.0%*	*6.8%*	*5.8%*	*5.4%*	*5.2%*	*5.4%*	*5.0%*	*5.0%*	*5.4%*
FARM PROPRIETORS INCOME												
Idaho (Millions)	772	739	727	736	697	734	754	772	756	747	741	734
% Ch	*-3.6%*	*-15.9%*	*-6.3%*	*4.8%*	*-19.4%*	*23.3%*	*11.2%*	*9.8%*	*-8.1%*	*-4.9%*	*-3.1%*	*-3.5%*
National (Billions)	24	21	20	20	24	28	29	31	28	27	26	25
% Ch	*-84.3%*	*-41.1%*	*-21.1%*	*10.5%*	*95.7%*	*82.0%*	*30.1%*	*24.7%*	*-29.4%*	*-16.2%*	*-11.8%*	*-13.1%*
NONFARM PROPRIETORS INCOME												
Idaho (Millions)	3,005	3,095	3,129	3,156	3,190	3,209	3,234	3,267	3,311	3,357	3,409	3,470
% Ch	*11.3%*	*12.4%*	*4.5%*	*3.5%*	*4.4%*	*2.4%*	*3.2%*	*4.1%*	*5.5%*	*5.7%*	*6.4%*	*7.4%*
National (Billions)	662	678	684	689	695	698	703	709	717	725	734	746
% Ch	*9.1%*	*10.1%*	*3.7%*	*2.8%*	*3.6%*	*2.0%*	*2.7%*	*3.4%*	*4.5%*	*4.7%*	*5.3%*	*6.2%*
DIVIDENDS, RENT & INTEREST												
Idaho (Millions)	6,113	6,199	6,326	6,438	6,526	6,613	6,697	6,785	6,872	6,966	7,055	7,157
% Ch	*5.6%*	*5.7%*	*8.5%*	*7.2%*	*5.6%*	*5.5%*	*5.1%*	*5.4%*	*5.2%*	*5.6%*	*5.2%*	*5.9%*
National (Billions)	1,497	1,518	1,549	1,576	1,597	1,621	1,644	1,666	1,689	1,712	1,733	1,758
% Ch	*5.1%*	*5.5%*	*8.5%*	*7.1%*	*5.6%*	*6.2%*	*5.6%*	*5.7%*	*5.4%*	*5.6%*	*5.1%*	*5.9%*
OTHER LABOR INCOME												
Idaho (Millions)	1,969	1,992	2,015	2,047	2,081	2,114	2,147	2,179	2,212	2,247	2,282	2,316
% Ch	*7.9%*	*4.8%*	*4.7%*	*6.5%*	*6.8%*	*6.4%*	*6.4%*	*6.1%*	*6.2%*	*6.4%*	*6.3%*	*6.2%*
National (Billions)	551	556	562	571	580	588	595	602	610	617	625	633
% Ch	*5.1%*	*4.1%*	*4.6%*	*6.4%*	*6.4%*	*5.2%*	*5.1%*	*5.0%*	*5.2%*	*5.0%*	*5.0%*	*5.4%*
GOVT. TRANSFERS TO INDIV.												
Idaho (Millions)	3,848	3,928	3,957	4,002	4,104	4,156	4,212	4,269	4,364	4,422	4,479	4,535
% Ch	*7.6%*	*8.5%*	*3.0%*	*4.6%*	*10.6%*	*5.2%*	*5.5%*	*5.5%*	*9.2%*	*5.5%*	*5.3%*	*5.1%*
National (Billions)	1,047	1,067	1,074	1,085	1,112	1,125	1,138	1,152	1,176	1,191	1,205	1,219
% Ch	*6.8%*	*7.9%*	*2.5%*	*4.4%*	*10.2%*	*4.7%*	*4.9%*	*4.9%*	*8.7%*	*5.0%*	*4.8%*	*4.8%*
CONTRIB. FOR SOCIAL INSUR.												
Idaho (Millions)	1,240	1,258	1,278	1,296	1,324	1,345	1,369	1,392	1,420	1,440	1,462	1,482
% Ch	*13.0%*	*5.9%*	*6.5%*	*5.8%*	*8.8%*	*6.4%*	*7.4%*	*7.0%*	*8.3%*	*5.8%*	*6.3%*	*5.5%*
National (Billions)	348	352	357	361	368	372	377	381	387	391	395	400
% Ch	*8.7%*	*4.6%*	*5.8%*	*5.1%*	*7.5%*	*4.6%*	*5.4%*	*5.2%*	*6.5%*	*3.9%*	*4.4%*	*4.2%*
RESIDENCE ADJUSTMENT												
Idaho (Millions)	355	361	367	373	379	385	391	397	403	409	415	421
% Ch	*10.0%*	*7.0%*	*6.7%*	*5.9%*	*7.0%*	*6.7%*	*6.4%*	*6.1%*	*6.1%*	*6.2%*	*6.1%*	*6.0%*

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EMPLOYMENT

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	503,131	506,649	511,280	513,944	516,142	519,849	522,884	527,333	531,837	536,936	541,777	545,992
% Ch	*4.0%*	*2.8%*	*3.7%*	*2.1%*	*1.7%*	*2.9%*	*2.4%*	*3.4%*	*3.5%*	*3.9%*	*3.7%*	*3.1%*
National (Thousands)	121,428	122,300	123,024	123,956	124,748	125,486	126,180	126,967	127,800	128,430	129,073	129,783
% Ch	*2.5%*	*2.9%*	*2.4%*	*3.1%*	*2.6%*	*2.4%*	*2.2%*	*2.5%*	*2.6%*	*2.0%*	*2.0%*	*2.2%*
GOODS PRODUCING SECTOR												
Idaho	108,898	109,386	109,800	111,546	110,994	111,413	111,318	111,280	112,625	113,168	113,961	114,515
% Ch	*4.0%*	*1.8%*	*1.5%*	*6.5%*	*-2.0%*	*1.5%*	*-0.3%*	*-0.1%*	*4.9%*	*1.9%*	*2.8%*	*2.0%*
National (Thousands)	24,759	24,886	25,018	25,182	25,346	25,427	25,408	25,469	25,488	25,454	25,459	25,524
% Ch	*1.7%*	*2.1%*	*2.1%*	*2.6%*	*2.6%*	*1.3%*	*-0.3%*	*1.0%*	*0.3%*	*-0.5%*	*0.1%*	*1.0%*
MANUFACTURING												
Idaho	73,804	74,264	74,903	75,477	76,110	76,491	76,180	75,710	75,718	76,080	76,478	76,249
% Ch	*1.2%*	*2.5%*	*3.5%*	*3.1%*	*3.4%*	*2.0%*	*-1.6%*	*-2.4%*	*0.0%*	*1.9%*	*2.1%*	*-1.2%*
National (Thousands)	18,571	18,628	18,699	18,803	18,872	18,871	18,765	18,716	18,632	18,543	18,516	18,482
% Ch	*0.9%*	*1.2%*	*1.5%*	*2.2%*	*1.5%*	*0.0%*	*-2.2%*	*-1.0%*	*-1.8%*	*-1.9%*	*-0.6%*	*-0.7%*
DURABLE MANUFACTURING												
Idaho	44,554	45,048	45,782	46,758	47,228	47,471	47,103	46,898	46,608	47,054	47,427	47,477
% Ch	*1.0%*	*4.5%*	*6.7%*	*8.8%*	*4.1%*	*2.1%*	*-3.1%*	*-1.7%*	*-2.4%*	*3.9%*	*3.2%*	*0.4%*
National (Thousands)	10,894	10,955	11,045	11,146	11,226	11,245	11,179	11,175	11,130	11,093	11,104	11,085
% Ch	*1.8%*	*2.3%*	*3.3%*	*3.7%*	*2.9%*	*0.7%*	*-2.3%*	*-0.2%*	*-1.6%*	*-1.3%*	*0.4%*	*-0.7%*
LUMBER & WOOD PRODUCTS												
Idaho	14,352	14,242	14,153	14,212	13,709	13,929	13,661	13,635	13,504	13,468	13,396	13,244
% Ch	*-1.1%*	*-3.0%*	*-2.5%*	*1.7%*	*-13.4%*	*6.6%*	*-7.5%*	*-0.7%*	*-3.8%*	*-1.1%*	*-2.1%*	*-4.5%*
National (Thousands)	787	795	799	802	807	812	815	820	827	827	829	831
% Ch	*1.0%*	*4.1%*	*1.9%*	*1.7%*	*2.3%*	*2.5%*	*1.7%*	*2.6%*	*3.3%*	*0.0%*	*1.1%*	*0.8%*
STONE, CLAY, GLASS, etc.												
Idaho	4,418	4,424	4,393	4,425	4,295	4,287	4,350	4,411	4,477	4,538	4,557	4,545
% Ch	*3.1%*	*0.5%*	*-2.8%*	*3.0%*	*-11.2%*	*-0.8%*	*6.0%*	*5.8%*	*6.1%*	*5.6%*	*1.7%*	*-1.0%*
National (Thousands)	2,015	2,025	2,035	2,051	2,068	2,071	2,069	2,077	2,081	2,078	2,080	2,084
% Ch	*1.1%*	*2.0%*	*2.1%*	*3.2%*	*3.2%*	*0.6%*	*-0.4%*	*1.6%*	*0.8%*	*-0.5%*	*0.3%*	*0.8%*
ELEC & NONELEC MACH												
Idaho	20,629	21,163	21,882	22,662	23,574	23,500	23,190	22,971	22,683	22,996	23,380	23,550
% Ch	*2.8%*	*10.8%*	*14.3%*	*15.0%*	*17.1%*	*-1.2%*	*-5.2%*	*-3.7%*	*-4.9%*	*5.6%*	*6.8%*	*2.9%*
National (Thousands)	3,811	3,835	3,871	3,912	3,941	3,939	3,909	3,866	3,823	3,808	3,808	3,803
% Ch	*2.2%*	*2.6%*	*3.8%*	*4.3%*	*3.0%*	*-0.3%*	*-2.9%*	*-4.4%*	*-4.4%*	*-1.5%*	*0.0%*	*-0.6%*
OTHER DURABLES												
Idaho	5,155	5,219	5,354	5,459	5,650	5,756	5,903	5,880	5,944	6,053	6,094	6,139
% Ch	*-2.3%*	*5.1%*	*10.8%*	*8.1%*	*14.8%*	*7.7%*	*10.6%*	*-1.5%*	*4.4%*	*7.5%*	*2.8%*	*2.9%*
National (Thousands)	4,282	4,300	4,341	4,381	4,410	4,423	4,386	4,412	4,399	4,380	4,387	4,368
% Ch	2.1%	1.8%	3.8%	3.7%	2.7%	1.2%	-3.3%	2.3%	-1.1%	-1.7%	0.6%	-1.8%

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EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
TOTAL NONFARM EMPLOYMENT												
Idaho	553,741	558,244	560,157	562,716	566,391	570,126	573,466	576,826	580,248	583,888	587,546	591,152
% Ch	*5.8%*	*3.3%*	*1.4%*	*1.8%*	*2.6%*	*2.7%*	*2.4%*	*2.4%*	*2.4%*	*2.5%*	*2.5%*	*2.5%*
National (Thousands)	130,626	131,645	131,996	132,588	133,131	133,539	133,865	134,196	134,516	134,850	135,172	135,620
% Ch	*2.6%*	*3.2%*	*1.1%*	*1.8%*	*1.7%*	*1.2%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.0%*	*1.3%*
GOODS PRODUCING SECTOR												
Idaho	117,057	117,446	117,870	118,181	118,715	119,280	119,539	119,895	120,298	120,906	121,560	122,229
% Ch	*9.2%*	*1.3%*	*1.5%*	*1.1%*	*1.8%*	*1.9%*	*0.9%*	*1.2%*	*1.4%*	*2.0%*	*2.2%*	*2.2%*
National (Thousands)	25,680	25,669	25,554	25,603	25,496	25,315	25,184	25,041	24,893	24,767	24,646	24,583
% Ch	*2.5%*	*-0.2%*	*-1.8%*	*0.8%*	*-1.7%*	*-2.8%*	*-2.0%*	*-2.3%*	*-2.3%*	*-2.0%*	*-1.9%*	*-1.0%*
MANUFACTURING												
Idaho	77,446	77,936	78,245	78,571	78,883	79,284	79,667	80,036	80,456	81,135	81,868	82,619
% Ch	*6.4%*	*2.6%*	*1.6%*	*1.7%*	*1.6%*	*2.1%*	*1.9%*	*1.9%*	*2.1%*	*3.4%*	*3.7%*	*3.7%*
National (Thousands)	18,481	18,459	18,294	18,352	18,255	18,121	18,019	17,901	17,770	17,655	17,551	17,464
% Ch	*0.0%*	*-0.5%*	*-3.5%*	*1.3%*	*-2.1%*	*-2.9%*	*-2.2%*	*-2.6%*	*-2.9%*	*-2.5%*	*-2.4%*	*-2.0%*
DURABLE MANUFACTURING												
Idaho	48,244	48,563	48,756	48,957	49,115	49,278	49,552	49,816	50,079	50,572	51,173	51,851
% Ch	*6.6%*	*2.7%*	*1.6%*	*1.7%*	*1.3%*	*1.3%*	*2.2%*	*2.2%*	*2.1%*	*4.0%*	*4.8%*	*5.4%*
National (Thousands)	11,094	11,094	10,968	11,008	10,951	10,862	10,792	10,715	10,624	10,546	10,474	10,422
% Ch	*0.3%*	*0.0%*	*-4.5%*	*1.5%*	*-2.1%*	*-3.2%*	*-2.5%*	*-2.8%*	*-3.4%*	*-2.9%*	*-2.7%*	*-2.0%*
LUMBER & WOOD PRODUCTS												
Idaho	13,441	13,266	13,075	12,897	12,752	12,582	12,437	12,220	12,062	12,002	11,937	11,884
% Ch	*6.1%*	*-5.1%*	*-5.6%*	*-5.3%*	*-4.4%*	*-5.2%*	*-4.5%*	*-6.8%*	*-5.1%*	*-2.0%*	*-2.1%*	*-1.7%*
National (Thousands)	831	827	828	825	821	816	813	805	801	799	797	798
% Ch	*-0.2%*	*-1.6%*	*0.2%*	*-1.2%*	*-2.1%*	*-2.4%*	*-1.5%*	*-3.6%*	*-2.1%*	*-1.3%*	*-0.7%*	*0.2%*
STONE, CLAY, GLASS, etc.												
Idaho	4,674	4,804	4,754	4,757	4,735	4,727	4,721	4,694	4,670	4,657	4,658	4,661
% Ch	*11.8%*	*11.6%*	*-4.1%*	*0.3%*	*-1.8%*	*-0.7%*	*-0.5%*	*-2.3%*	*-2.0%*	*-1.1%*	*0.0%*	*0.2%*
National (Thousands)	2,093	2,098	2,059	2,058	2,043	2,025	2,012	1,998	1,986	1,976	1,966	1,962
% Ch	*1.8%*	*1.0%*	*-7.3%*	*-0.3%*	*-2.9%*	*-3.5%*	*-2.5%*	*-2.7%*	*-2.5%*	*-2.0%*	*-1.8%*	*-0.9%*
ELEC & NONELEC MACH												
Idaho	23,881	24,296	24,741	25,156	25,482	25,848	26,285	26,793	27,235	27,757	28,317	28,910
% Ch	*5.7%*	*7.1%*	*7.5%*	*6.9%*	*5.3%*	*5.9%*	*6.9%*	*8.0%*	*6.8%*	*7.9%*	*8.3%*	*8.6%*
National (Thousands)	3,810	3,817	3,802	3,869	3,874	3,845	3,822	3,794	3,752	3,707	3,657	3,614
% Ch	*0.8%*	*0.7%*	*-1.6%*	*7.3%*	*0.5%*	*-2.9%*	*-2.4%*	*-2.8%*	*-4.4%*	*-4.7%*	*-5.3%*	*-4.6%*
OTHER DURABLES												
Idaho	6,248	6,197	6,186	6,146	6,145	6,121	6,109	6,110	6,112	6,157	6,262	6,396
% Ch	*7.3%*	*-3.2%*	*-0.7%*	*-2.6%*	*-0.1%*	*-1.6%*	*-0.8%*	*0.0%*	*0.1%*	*3.0%*	*7.0%*	*8.8%*
National (Thousands)	4,360	4,352	4,279	4,256	4,214	4,176	4,146	4,117	4,085	4,065	4,054	4,048
% Ch	-0.7%	-0.8%	-6.5%	-2.2%	-3.9%	-3.5%	-2.9%	-2.8%	-3.1%	-1.9%	-1.1%	-0.6%

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QUARTERLY DETAIL

JULY 2000

EMPLOYMENT

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	29,249	29,216	29,121	28,719	28,882	29,020	29,076	28,812	29,110	29,026	29,051	28,772
% Ch	*1.6%*	*-0.5%*	*-1.3%*	*-5.4%*	*2.3%*	*1.9%*	*0.8%*	*-3.6%*	*4.2%*	*-1.2%*	*0.4%*	*-3.8%*
National (Thousands)	7,677	7,673	7,654	7,657	7,647	7,626	7,586	7,542	7,502	7,450	7,412	7,397
% Ch	*-0.5%*	*-0.2%*	*-1.0%*	*0.2%*	*-0.5%*	*-1.1%*	*-2.1%*	*-2.3%*	*-2.1%*	*-2.8%*	*-2.0%*	*-0.8%*
FOOD PROCESSING												
Idaho	17,946	17,801	17,656	17,233	17,218	17,350	17,458	17,128	17,448	17,345	17,348	17,024
% Ch	*3.2%*	*-3.2%*	*-3.2%*	*-9.3%*	*-0.3%*	*3.1%*	*2.5%*	*-7.4%*	*7.7%*	*-2.3%*	*0.1%*	*-7.2%*
National (Thousands)	*1,688*	*1,686*	*1,681*	*1,684*	*1,683*	*1,685*	*1,682*	*1,682*	*1,686*	*1,677*	*1,671*	*1,674*
% Ch	*0.3%*	*-0.5%*	*-1.2%*	*0.6%*	*-0.2%*	*0.5%*	*-0.6%*	*0.0%*	*0.9%*	*-2.2%*	*-1.3%*	*0.6%*
CANNED, CURED, & FROZEN												
Idaho	11,019	10,669	10,392	10,130	9,922	10,088	10,141	9,838	10,055	9,962	10,072	9,744
% Ch	*3.9%*	*-12.1%*	*-10.0%*	*-9.7%*	*-8.0%*	*6.9%*	*2.1%*	*-11.4%*	*9.1%*	*-3.7%*	*4.5%*	*-12.4%*
OTHER FOOD PROCESSING												
Idaho	6,927	7,132	7,264	7,103	7,297	7,262	7,317	7,290	7,393	7,383	7,276	7,280
% Ch	*2.1%*	*12.4%*	*7.6%*	*-8.6%*	*11.3%*	*-1.9%*	*3.1%*	*-1.5%*	*5.8%*	*-0.5%*	*-5.7%*	*0.2%*
PAPER, PRINTING, PUBLISH.												
Idaho	7,121	7,191	7,278	7,270	7,407	7,440	7,440	7,475	7,371	7,387	7,391	7,424
% Ch	*-4.7%*	*4.0%*	*4.9%*	*-0.4%*	*7.8%*	*1.8%*	*0.0%*	*1.9%*	*-5.4%*	*0.9%*	*0.2%*	*1.8%*
National (Thousands)	2,227	2,237	2,237	2,240	2,245	2,245	2,242	2,236	2,229	2,221	2,219	2,214
% Ch	*0.2%*	*1.7%*	*0.0%*	*0.6%*	*0.8%*	*0.1%*	*-0.7%*	*-1.1%*	*-1.1%*	*-1.5%*	*-0.4%*	*-0.8%*
CHEMICALS												
Idaho	2,331	2,302	2,240	2,266	2,352	2,382	2,354	2,344	2,339	2,311	2,283	2,272
% Ch	*7.6%*	*-4.8%*	*-10.4%*	*4.8%*	*16.1%*	*5.0%*	*-4.6%*	*-1.7%*	*-0.8%*	*-4.7%*	*-4.8%*	*-1.9%*
National (Thousands)	1,034	1,036	1,035	1,040	1,041	1,044	1,044	1,042	1,039	1,035	1,031	1,031
% Ch	*0.6%*	*0.8%*	*-0.4%*	*1.9%*	*0.5%*	*1.0%*	*0.3%*	*-0.8%*	*-1.4%*	*-1.4%*	*-1.5%*	*0.0%*
OTHER NONDURABLES												
Idaho	1,851	1,921	1,947	1,950	1,904	1,848	1,824	1,866	1,952	1,982	2,030	2,051
% Ch	*4.0%*	*16.0%*	*5.5%*	*0.5%*	*-9.1%*	*-11.2%*	*-5.0%*	*9.4%*	*19.8%*	*6.3%*	*9.9%*	*4.3%*
National (Thousands)	2,728	2,714	2,701	2,693	2,678	2,652	2,617	2,581	2,548	2,517	2,491	2,478
% Ch	*-1.9%*	*-1.9%*	*-2.0%*	*-1.1%*	*-2.2%*	*-3.8%*	*-5.2%*	*-5.4%*	*-5.1%*	*-4.8%*	*-4.0%*	*-2.1%*
MINING												
Idaho	3,185	3,152	3,021	3,037	2,935	2,941	2,914	2,824	2,740	2,547	2,513	2,530
%Ch	*0.8%*	*-4.1%*	*-15.6%*	*2.2%*	*-12.9%*	*0.8%*	*-3.5%*	*-11.9%*	*-11.3%*	*-25.3%*	*-5.2%*	*2.8%*
National (Thousands)	589	596	600	601	603	597	586	573	552	533	527	529
%Ch	*4.7%*	*4.8%*	*2.5%*	*0.4%*	*1.8%*	*-4.1%*	*-7.4%*	*-8.2%*	*-13.9%*	*-13.1%*	*-4.7%*	*1.3%*
METAL MINING												
Idaho	1,953	1,891	1,772	1,755	1,714	1,734	1,695	1,627	1,581	1,421	1,357	1,351
%Ch	*-1.3%*	*-12.1%*	*-22.9%*	*-3.8%*	*-8.9%*	*4.7%*	*-8.9%*	*-15.1%*	*-10.8%*	*-34.7%*	*-16.8%*	*-1.7%*
OTHER MINING												
Idaho	1,232	1,260	1,249	1,282	1,220	1,206	1,220	1,197	1,159	1,126	1,156	1,179
% Ch	*4.3%*	*9.6%*	*-3.5%*	*11.0%*	*-18.0%*	*-4.5%*	*4.5%*	*-7.2%*	*-12.1%*	*-11.0%*	*11.0%*	*8.4%*

National Variables Forecast by Standard and Poor's DRI
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IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
MANUFACTURING (continued)												
NONDURABLE MANUFACTURING												
Idaho	29,202	29,372	29,489	29,614	29,768	30,006	30,115	30,220	30,377	30,563	30,695	30,769
% Ch	*6.1%*	*2.4%*	*1.6%*	*1.7%*	*2.1%*	*3.2%*	*1.5%*	*1.4%*	*2.1%*	*2.5%*	*1.7%*	*1.0%*
National (Thousands)	7,388	7,365	7,325	7,344	7,304	7,260	7,226	7,186	7,146	7,110	7,076	7,042
% Ch	*-0.5%*	*-1.2%*	*-2.1%*	*1.0%*	*-2.1%*	*-2.4%*	*-1.8%*	*-2.2%*	*-2.2%*	*-2.0%*	*-1.9%*	*-1.9%*
FOOD PROCESSING												
Idaho	17,281	17,387	17,444	17,464	17,549	17,703	17,733	17,772	17,865	17,989	18,048	18,042
% Ch	*6.2%*	*2.5%*	*1.3%*	*0.5%*	*1.9%*	*3.6%*	*0.7%*	*0.9%*	*2.1%*	*2.8%*	*1.3%*	*-0.1%*
National (Thousands)	*1,675*	*1,675*	*1,677*	*1,687*	*1,686*	*1,685*	*1,687*	*1,687*	*1,687*	*1,685*	*1,681*	*1,677*
% Ch	*0.2%*	*0.0%*	*0.5%*	*2.5%*	*-0.2%*	*-0.2%*	*0.4%*	*0.0%*	*-0.1%*	*-0.4%*	*-0.9%*	*-1.1%*
CANNED, CURED, & FROZEN												
Idaho	10,066	10,124	10,132	10,222	10,262	10,354	10,380	10,398	10,448	10,513	10,517	10,470
% Ch	*13.9%*	*2.3%*	*0.3%*	*3.6%*	*1.6%*	*3.6%*	*1.0%*	*0.7%*	*1.9%*	*2.5%*	*0.2%*	*-1.8%*
OTHER FOOD PROCESSING												
Idaho	7,341	7,388	7,437	7,368	7,412	7,474	7,477	7,499	7,541	7,601	7,655	7,697
% Ch	*3.4%*	*2.6%*	*2.6%*	*-3.7%*	*2.4%*	*3.4%*	*0.2%*	*1.1%*	*2.3%*	*3.2%*	*2.9%*	*2.2%*
PAPER, PRINTING, PUBLISH.												
Idaho	7,530	7,551	7,581	7,617	7,621	7,645	7,667	7,681	7,690	7,697	7,712	7,733
% Ch	*5.8%*	*1.1%*	*1.6%*	*1.9%*	*0.2%*	*1.2%*	*1.2%*	*0.7%*	*0.5%*	*0.4%*	*0.8%*	*1.1%*
National (Thousands)	2,213	2,210	2,200	2,203	2,198	2,194	2,190	2,184	2,177	2,169	2,161	2,153
% Ch	*-0.2%*	*-0.5%*	*-1.8%*	*0.4%*	*-0.8%*	*-0.8%*	*-0.6%*	*-1.1%*	*-1.4%*	*-1.4%*	*-1.4%*	*-1.5%*
CHEMICALS												
Idaho	2,281	2,290	2,298	2,338	2,370	2,404	2,440	2,477	2,513	2,548	2,582	2,617
% Ch	*1.7%*	*1.5%*	*1.4%*	*7.1%*	*5.7%*	*5.9%*	*6.0%*	*6.2%*	*6.0%*	*5.7%*	*5.4%*	*5.5%*
National (Thousands)	1,031	1,027	1,027	1,029	1,025	1,022	1,019	1,016	1,012	1,008	1,005	1,001
% Ch	*0.0%*	*-1.5%*	*0.0%*	*0.6%*	*-1.6%*	*-0.9%*	*-1.2%*	*-1.5%*	*-1.6%*	*-1.5%*	*-1.3%*	*-1.4%*
OTHER NONDURABLES												
Idaho	2,109	2,143	2,166	2,195	2,227	2,254	2,275	2,290	2,310	2,329	2,354	2,378
% Ch	*11.7%*	*6.7%*	*4.3%*	*5.5%*	*6.1%*	*4.9%*	*3.8%*	*2.8%*	*3.5%*	*3.3%*	*4.4%*	*4.2%*
National (Thousands)	2,469	2,453	2,421	2,425	2,395	2,359	2,330	2,299	2,271	2,248	2,230	2,212
% Ch	*-1.4%*	*-2.6%*	*-5.1%*	*0.7%*	*-4.9%*	*-6.0%*	*-4.8%*	*-5.2%*	*-4.7%*	*-4.0%*	*-3.3%*	*-3.1%*
MINING												
Idaho	2,537	2,564	2,622	2,618	2,584	2,463	2,375	2,305	2,277	2,275	2,307	2,358
%Ch	*1.1%*	*4.3%*	*9.4%*	*-0.7%*	*-5.0%*	*-17.5%*	*-13.4%*	*-11.3%*	*-4.9%*	*-0.3%*	*5.6%*	*9.2%*
National (Thousands)	533	539	551	545	532	523	515	508	501	495	491	488
%Ch	*3.3%*	*4.3%*	*9.5%*	*-4.5%*	*-9.2%*	*-6.1%*	*-6.5%*	*-5.4%*	*-5.0%*	*-4.7%*	*-3.7%*	*-2.3%*
METAL MINING												
Idaho	1,364	1,404	1,449	1,450	1,436	1,359	1,306	1,263	1,247	1,247	1,267	1,301
%Ch	*4.0%*	*12.0%*	*13.6%*	*0.2%*	*-3.7%*	*-19.8%*	*-14.8%*	*-12.6%*	*-4.8%*	*-0.1%*	*6.7%*	*10.9%*
OTHER MINING												
Idaho	1,173	1,160	1,173	1,168	1,148	1,104	1,070	1,043	1,029	1,028	1,039	1,057
% Ch	*-2.1%*	*-4.2%*	*4.5%*	*-1.7%*	*-6.6%*	*-14.7%*	*-11.7%*	*-9.7%*	*-5.0%*	*-0.5%*	*4.4%*	*7.1%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

EMPLOYMENT

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	31,910	31,971	31,876	33,031	31,949	31,982	32,224	32,746	34,167	34,541	34,970	35,736
% Ch	*11.3%*	*0.8%*	*-1.2%*	*15.3%*	*-12.5%*	*0.4%*	*3.1%*	*6.6%*	*18.5%*	*4.5%*	*5.1%*	*9.1%*
National (Thousands)	5,599	5,661	5,719	5,778	5,870	5,959	6,057	6,179	6,304	6,377	6,416	6,513
% Ch	*4.3%*	*4.5%*	*4.2%*	*4.2%*	*6.5%*	*6.2%*	*6.8%*	*8.3%*	*8.3%*	*4.8%*	*2.4%*	*6.2%*
SERVICE PRODUCING SECTOR												
Idaho	394,232	397,263	401,480	402,398	405,148	408,436	411,566	416,054	419,213	423,768	427,816	431,477
% Ch	*4.0%*	*3.1%*	*4.3%*	*0.9%*	*2.8%*	*3.3%*	*3.1%*	*4.4%*	*3.1%*	*4.4%*	*3.9%*	*3.5%*
National (Thousands)	96,669	97,414	98,006	98,774	99,403	100,059	100,772	101,498	102,312	102,976	103,614	104,259
% Ch	*2.7%*	*3.1%*	*2.5%*	*3.2%*	*2.6%*	*2.7%*	*2.9%*	*2.9%*	*3.2%*	*2.6%*	*2.5%*	*2.5%*
FINANCE, INSUR, REAL ESTATE												
Idaho	25,247	25,305	25,423	25,591	22,706	22,830	22,951	23,205	23,796	23,722	23,400	23,318
% Ch	*6.2%*	*0.9%*	*1.9%*	*2.7%*	*-38.0%*	*2.2%*	*2.1%*	*4.5%*	*10.6%*	*-1.2%*	*-5.3%*	*-1.4%*
National (Thousands)	7,016	7,073	7,135	7,209	7,285	7,364	7,424	7,480	7,526	7,559	7,587	7,605
% Ch	*2.3%*	*3.3%*	*3.6%*	*4.2%*	*4.3%*	*4.4%*	*3.3%*	*3.0%*	*2.5%*	*1.8%*	*1.5%*	*1.0%*
TRANS, COMMUN, PUBLIC UTIL												
Idaho	23,954	24,113	24,322	24,586	24,950	25,364	25,711	25,946	26,429	26,803	26,890	27,450
% Ch	*-1.2%*	*2.7%*	*3.5%*	*4.4%*	*6.1%*	*6.8%*	*5.6%*	*3.7%*	*7.7%*	*5.8%*	*1.3%*	*8.6%*
National (Thousands)	6,355	6,407	6,385	6,483	6,526	6,580	6,638	6,697	6,754	6,799	6,849	6,895
% Ch	*4.3%*	*3.3%*	*-1.3%*	*6.2%*	*2.7%*	*3.4%*	*3.6%*	*3.6%*	*3.4%*	*2.7%*	*3.0%*	*2.7%*
TRADE												
Idaho	128,178	128,729	129,395	129,716	131,195	132,303	133,209	133,709	134,596	135,738	136,316	138,331
% Ch	*4.3%*	*1.7%*	*2.1%*	*1.0%*	*4.6%*	*3.4%*	*2.8%*	*1.5%*	*2.7%*	*3.4%*	*1.7%*	*6.0%*
National (Thousands)	28,438	28,542	28,653	28,824	28,910	29,015	29,157	29,298	29,506	29,671	29,784	29,885
% Ch	*1.1%*	*1.5%*	*1.6%*	*2.4%*	*1.2%*	*1.5%*	*2.0%*	*1.9%*	*2.9%*	*2.3%*	*1.5%*	*1.4%*
SERVICES												
Idaho	119,336	121,634	123,910	125,644	126,831	127,916	128,797	131,483	132,569	134,527	137,071	138,835
% Ch	*5.1%*	*7.9%*	*7.7%*	*5.7%*	*3.8%*	*3.5%*	*2.8%*	*8.6%*	*3.3%*	*6.0%*	*7.8%*	*5.2%*
National (Thousands)	35,397	35,878	36,252	36,624	37,004	37,340	37,694	38,073	38,467	38,836	39,194	39,598
% Ch	*5.0%*	*5.5%*	*4.2%*	*4.2%*	*4.2%*	*3.7%*	*3.8%*	*4.1%*	*4.2%*	*3.9%*	*3.7%*	*4.2%*
STATE & LOCAL GOVERNMENT												
Idaho	84,511	84,590	85,495	83,546	86,492	87,254	88,113	89,045	89,050	90,231	91,223	90,645
% Ch	*2.9%*	*0.4%*	*4.4%*	*-8.8%*	*14.9%*	*3.6%*	*4.0%*	*4.3%*	*0.0%*	*5.4%*	*4.5%*	*-2.5%*
National (Thousands)	16,746	16,812	16,888	16,950	17,004	17,086	17,173	17,240	17,354	17,441	17,544	17,629
% Ch	*1.1%*	*1.6%*	*1.8%*	*1.5%*	*1.3%*	*1.9%*	*2.1%*	*1.6%*	*2.7%*	*2.0%*	*2.4%*	*2.0%*
Idaho Education	46,579	46,276	46,893	44,325	47,238	47,653	48,086	48,596	48,484	49,419	50,156	49,563
% Ch	*2.8%*	*-2.6%*	*5.4%*	*-20.2%*	*29.0%*	*3.6%*	*3.7%*	*4.3%*	*-0.9%*	*7.9%*	*6.1%*	*-4.7%*
Idaho Other	37,932	38,314	38,603	39,221	39,253	39,601	40,028	40,450	40,566	40,811	41,067	41,082
% Ch	*3.1%*	*4.1%*	*3.0%*	*6.6%*	*0.3%*	*3.6%*	*4.4%*	*4.3%*	*1.2%*	*2.4%*	*2.5%*	*0.2%*
FEDERAL GOVERNMENT												
Idaho	13,006	12,893	12,935	13,316	12,975	12,769	12,785	12,665	12,773	12,747	12,916	12,898
% Ch	*3.7%*	*-3.4%*	*1.3%*	*12.3%*	*-9.8%*	*-6.2%*	*0.5%*	*-3.7%*	*3.5%*	*-0.8%*	*5.4%*	*-0.6%*
National (Thousands)	2,716	2,703	2,694	2,685	2,675	2,674	2,686	2,711	2,705	2,670	2,655	2,646
% Ch	*-1.7%*	*-2.0%*	*-1.3%*	*-1.3%*	*-1.5%*	*-0.1%*	*1.9%*	*3.8%*	*-0.9%*	*-5.1%*	*-2.2%*	*-1.3%*

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QUARTERLY DETAIL

JULY 2000

EMPLOYMENT

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GOODS PRODUCING (continued)												
CONSTRUCTION												
Idaho	37,074	36,946	37,003	36,992	37,248	37,533	37,497	37,553	37,565	37,495	37,385	37,252
% Ch	*15.8%*	*-1.4%*	*0.6%*	*-0.1%*	*2.8%*	*3.1%*	*-0.4%*	*0.6%*	*0.1%*	*-0.7%*	*-1.2%*	*-1.4%*
National (Thousands)	6,665	6,671	6,709	6,706	6,709	6,670	6,651	6,632	6,622	6,616	6,605	6,631
% Ch	*9.7%*	*0.3%*	*2.3%*	*-0.2%*	*0.2%*	*-2.3%*	*-1.1%*	*-1.1%*	*-0.6%*	*-0.3%*	*-0.7%*	*1.6%*
SERVICE PRODUCING SECTOR												
Idaho	436,684	440,798	442,287	444,535	447,677	450,846	453,927	456,931	459,950	462,983	465,986	468,923
% Ch	*4.9%*	*3.8%*	*1.4%*	*2.0%*	*2.9%*	*2.9%*	*2.8%*	*2.7%*	*2.7%*	*2.7%*	*2.6%*	*2.5%*
National (Thousands)	104,946	105,976	106,443	106,985	107,636	108,224	108,681	109,155	109,623	110,084	110,526	111,037
% Ch	*2.7%*	*4.0%*	*1.8%*	*2.1%*	*2.5%*	*2.2%*	*1.7%*	*1.8%*	*1.7%*	*1.7%*	*1.6%*	*1.9%*
FINANCE, INSUR, REAL ESTATE												
Idaho	23,493	23,611	23,676	23,741	23,813	23,877	23,943	24,007	24,066	24,133	24,211	24,284
% Ch	*3.0%*	*2.0%*	*1.1%*	*1.1%*	*1.2%*	*1.1%*	*1.1%*	*1.1%*	*1.0%*	*1.1%*	*1.3%*	*1.2%*
National (Thousands)	7,619	7,617	7,666	7,711	7,770	7,826	7,883	7,944	7,992	8,048	8,104	8,160
% Ch	*0.7%*	*-0.1%*	*2.6%*	*2.4%*	*3.1%*	*2.9%*	*2.9%*	*3.1%*	*2.4%*	*2.8%*	*2.8%*	*2.8%*
TRANS, COMMUN, PUBLIC UTIL												
Idaho	27,589	27,709	27,860	27,954	28,064	28,194	28,329	28,460	28,586	28,712	28,842	28,970
% Ch	*2.0%*	*1.7%*	*2.2%*	*1.4%*	*1.6%*	*1.9%*	*1.9%*	*1.9%*	*1.8%*	*1.8%*	*1.8%*	*1.8%*
National (Thousands)	6,938	6,977	7,024	7,040	7,064	7,090	7,126	7,151	7,171	7,195	7,214	7,239
% Ch	*2.6%*	*2.2%*	*2.7%*	*0.9%*	*1.3%*	*1.5%*	*2.1%*	*1.4%*	*1.1%*	*1.3%*	*1.1%*	*1.3%*
TRADE												
Idaho	140,222	141,485	142,523	143,830	145,095	146,353	147,582	148,759	149,973	151,175	152,355	153,531
% Ch	*5.6%*	*3.7%*	*3.0%*	*3.7%*	*3.6%*	*3.5%*	*3.4%*	*3.2%*	*3.3%*	*3.2%*	*3.2%*	*3.1%*
National (Thousands)	30,009	30,243	30,310	30,502	30,619	30,728	30,704	30,750	30,809	30,861	30,925	31,021
% Ch	*1.7%*	*3.1%*	*0.9%*	*2.6%*	*1.5%*	*1.4%*	*-0.3%*	*0.6%*	*0.8%*	*0.7%*	*0.8%*	*1.2%*
SERVICES												
Idaho	140,944	142,240	143,408	144,538	146,017	147,487	148,872	150,192	151,541	152,874	154,181	155,483
% Ch	*6.2%*	*3.7%*	*3.3%*	*3.2%*	*4.2%*	*4.1%*	*3.8%*	*3.6%*	*3.6%*	*3.6%*	*3.5%*	*3.4%*
National (Thousands)	39,949	40,234	40,736	41,048	41,430	41,761	42,089	42,379	42,673	42,954	43,213	43,507
% Ch	*3.6%*	*2.9%*	*5.1%*	*3.1%*	*3.8%*	*3.2%*	*3.2%*	*2.8%*	*2.8%*	*2.7%*	*2.4%*	*2.8%*
STATE & LOCAL GOVERNMENT												
Idaho	91,075	91,481	91,840	92,161	92,474	92,772	93,089	93,425	93,727	94,019	94,315	94,594
% Ch	*1.9%*	*1.8%*	*1.6%*	*1.4%*	*1.4%*	*1.3%*	*1.4%*	*1.5%*	*1.3%*	*1.3%*	*1.3%*	*1.2%*
National (Thousands)	17,704	17,783	17,834	17,918	18,004	18,080	18,146	18,206	18,261	18,309	18,354	18,402
% Ch	*1.7%*	*1.8%*	*1.1%*	*1.9%*	*1.9%*	*1.7%*	*1.5%*	*1.3%*	*1.2%*	*1.1%*	*1.0%*	*1.0%*
Idaho Education	49,418	49,718	49,992	50,248	50,488	50,712	50,948	51,198	51,423	51,641	51,862	52,072
% Ch	*-1.2%*	*2.4%*	*2.2%*	*2.1%*	*1.9%*	*1.8%*	*1.9%*	*2.0%*	*1.8%*	*1.7%*	*1.7%*	*1.6%*
Idaho Other	41,657	41,763	41,848	41,912	41,986	42,060	42,141	42,227	42,304	42,378	42,453	42,522
% Ch	*5.7%*	*1.0%*	*0.8%*	*0.6%*	*0.7%*	*0.7%*	*0.8%*	*0.8%*	*0.7%*	*0.7%*	*0.7%*	*0.6%*
FEDERAL GOVERNMENT												
Idaho	13,361	14,271	12,981	12,312	12,213	12,163	12,112	12,089	12,057	12,069	12,081	12,060
% Ch	*15.2%*	*30.1%*	*-31.5%*	*-19.1%*	*-3.2%*	*-1.6%*	*-1.7%*	*-0.8%*	*-1.0%*	*0.4%*	*0.4%*	*-0.7%*
National (Thousands)	2,726	3,123	2,873	2,764	2,748	2,741	2,733	2,725	2,717	2,716	2,715	2,709
% Ch	*12.7%*	*72.2%*	*-28.4%*	*-14.3%*	*-2.3%*	*-1.1%*	*-1.1%*	*-1.1%*	*-1.2%*	*-0.1%*	*-0.1%*	*-0.9%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

MISCELLANEOUS

	1997				1998				1999			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	920.3	920.2	936.2	960.0	962.8	958.9	1,035.5	1,013.5	1,037.4	1,022.9	1,082.9	1,104.6
% Ch	*7.1%*	*0.0%*	*7.1%*	*10.6%*	*1.2%*	*-1.6%*	*36.0%*	*-8.3%*	*9.8%*	*-5.5%*	*25.7%*	*8.3%*
National (Billions)	192.8	192.2	195.9	201.7	202.1	200.8	220.2	214.2	219.9	215.7	230.6	235.6
% Ch	*7.8%*	*-1.2%*	*7.9%*	*12.4%*	*0.8%*	*-2.5%*	*44.6%*	*-10.5%*	*11.1%*	*-7.4%*	*30.6%*	*9.0%*
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	110.3	110.8	111.2	111.5	111.8	112.1	112.5	112.7	113.3	113.6	113.9	114.5
% Ch	*2.8%*	*1.8%*	*1.3%*	*1.3%*	*0.9%*	*1.1%*	*1.3%*	*0.8%*	*2.0%*	*1.3%*	*1.1%*	*2.0%*
Consumption Expenditures	110.8	111.1	111.5	111.8	111.9	112.2	112.5	112.8	113.2	113.9	114.4	115.1
% Ch	*2.6%*	*1.1%*	*1.3%*	*1.2%*	*0.3%*	*1.1%*	*1.1%*	*1.1%*	*1.5%*	*2.2%*	*1.8%*	*2.5%*
Durable Goods	100.8	99.8	99.0	98.4	98.0	97.5	96.9	96.0	95.3	94.8	94.4	94.0
% Ch	*-1.1%*	*-3.7%*	*-3.3%*	*-2.5%*	*-1.5%*	*-2.0%*	*-2.3%*	*-3.9%*	*-2.8%*	*-1.9%*	*-2.0%*	*-1.7%*
Nondurable Goods	106.4	106.3	106.4	106.7	106.3	106.3	106.6	106.9	107.3	108.7	109.5	110.5
% Ch	*1.7%*	*-0.6%*	*0.6%*	*0.9%*	*-1.4%*	*-0.2%*	*1.2%*	*1.3%*	*1.6%*	*5.1%*	*2.8%*	*3.8%*
Services	115.4	116.3	117.0	117.6	118.0	118.7	119.3	119.9	120.6	121.1	121.7	122.5
% Ch	*3.9%*	*3.0%*	*2.5%*	*2.2%*	*1.5%*	*2.4%*	*1.8%*	*2.1%*	*2.3%*	*1.7%*	*2.1%*	*2.7%*
Cons. Price Index (1982-84)	159.7	160.2	160.9	161.7	162.1	162.8	163.5	164.2	164.9	166.2	167.2	168.4
% Ch	*2.6%*	*1.2%*	*1.8%*	*2.0%*	*1.0%*	*1.7%*	*1.7%*	*1.7%*	*1.7%*	*3.3%*	*2.5%*	*2.9%*
SELECTED INTEREST RATES												
Federal Funds	5.28%	5.52%	5.53%	5.51%	5.52%	5.50%	5.53%	4.86%	4.73%	4.75%	5.09%	5.31%
Prime	8.27%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	7.92%	7.75%	7.75%	8.10%	8.37%
New Home Mortgage	7.82%	8.00%	7.66%	7.45%	7.23%	7.18%	7.07%	6.86%	6.91%	6.92%	7.16%	7.23%
U.S. Govt. 3-Month Bills	5.06%	5.05%	5.05%	5.09%	5.05%	4.98%	4.82%	4.26%	4.41%	4.45%	4.65%	5.04%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	113.0	115.7	115.4	115.9	116.8	117.7	119.0	120.7	122.2	122.5	120.5	120.6
% Ch	*8.0%*	*9.7%*	*-0.9%*	*1.6%*	*3.3%*	*2.9%*	*4.5%*	*6.1%*	*5.1%*	*1.0%*	*-6.6%*	*0.3%*
Office & Computer Equip.	351.9	396.6	415.3	451.7	564.5	600.0	727.8	808.1	907.6	1,019.1	1,122.1	1,221.3
% Ch	*-1.7%*	*61.3%*	*20.3%*	*39.9%*	*143.9%*	*27.6%*	*116.4%*	*52.0%*	*59.1%*	*59.0%*	*47.0%*	*40.4%*
Electrical Machinery	236.1	252.3	270.5	281.2	289.7	304.4	324.7	341.6	349.4	374.6	400.9	419.0
% Ch	*25.8%*	*30.4%*	*32.2%*	*16.8%*	*12.5%*	*22.0%*	*29.5%*	*22.4%*	*9.4%*	*32.2%*	*31.1%*	*19.4%*
Electronic Components	456.6	511.1	580.8	614.7	647.6	712.0	812.0	902.9	935.7	1,053.7	1,171.4	1,298.2
% Ch	*49.3%*	*57.1%*	*66.7%*	*25.5%*	*23.2%*	*46.1%*	*69.2%*	*52.9%*	*15.3%*	*60.8%*	*52.7%*	*50.8%*
Food	107.2	107.3	108.2	108.3	109.5	109.3	108.2	110.2	111.1	110.4	109.1	110.1
% Ch	*3.5%*	*0.6%*	*3.4%*	*0.2%*	*4.7%*	*-0.9%*	*-4.0%*	*7.8%*	*3.2%*	*-2.5%*	*-4.6%*	*3.9%*
Paper	112.8	113.4	115.1	115.8	115.1	115.1	115.0	114.5	115.8	115.1	116.0	117.9
% Ch	*5.5%*	*2.4%*	*6.1%*	*2.4%*	*-2.7%*	*0.0%*	*-0.4%*	*-1.6%*	*4.8%*	*-2.5%*	*3.1%*	*6.8%*
Agricultural Chemicals	103.8	106.3	106.9	107.1	108.5	110.2	113.2	111.5	111.7	112.9	110.9	111.7
% Ch	*-1.4%*	*10.1%*	*2.2%*	*0.8%*	*5.6%*	*6.1%*	*11.5%*	*-5.9%*	*0.7%*	*4.3%*	*-6.9%*	*3.1%*
Metals & Minerals Mining	115.5	115.8	116.4	116.0	117.8	116.8	117.2	117.8	116.7	113.4	111.0	112.4
% Ch	*10.5%*	*1.2%*	*2.3%*	*-1.4%*	*6.3%*	*-3.5%*	*1.3%*	*2.2%*	*-3.6%*	*-10.7%*	*-8.3%*	*5.1%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

IDAHO ECONOMIC FORECAST

QUARTERLY DETAIL

JULY 2000

MISCELLANEOUS

	2000				2001				2002			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
FEDERAL TRANSFERS TO												
STATE & LOCAL GOVERNMENTS												
Idaho (Millions)	1,102.0	1,131.2	1,149.0	1,166.1	1,189.4	1,207.7	1,226.6	1,245.0	1,263.9	1,283.2	1,302.8	1,322.6
% Ch	*-0.9%*	*11.0%*	*6.4%*	*6.1%*	*8.2%*	*6.3%*	*6.4%*	*6.2%*	*6.2%*	*6.2%*	*6.3%*	*6.2%*
National (Billions)	234.4	241.2	245.2	249.3	254.8	259.0	263.3	267.5	271.8	276.2	280.7	285.3
% Ch	*-2.0%*	*12.1%*	*6.9%*	*6.7%*	*9.1%*	*6.8%*	*6.8%*	*6.4%*	*6.6%*	*6.7%*	*6.7%*	*6.7%*
SELECTED CHAIN-WEIGHTED DEFL.												
Gross Domestic Product	115.3	116.1	116.7	117.2	117.8	118.3	118.8	119.2	119.9	120.4	121.0	121.5
% Ch	*2.7%*	*2.8%*	*2.1%*	*1.7%*	*2.1%*	*1.7%*	*1.7%*	*1.7%*	*2.1%*	*1.8%*	*1.9%*	*2.0%*
Consumption Expenditures	116.0	116.8	117.3	117.7	118.3	118.9	119.6	120.2	121.0	121.7	122.5	123.2
% Ch	*3.1%*	*2.8%*	*1.9%*	*1.4%*	*2.1%*	*2.1%*	*2.1%*	*2.2%*	*2.5%*	*2.5%*	*2.5%*	*2.5%*
Durable Goods	93.5	93.2	93.0	92.7	92.5	92.3	92.1	92.0	92.0	91.9	91.9	91.9
% Ch	*-1.9%*	*-1.3%*	*-1.0%*	*-1.1%*	*-0.9%*	*-0.9%*	*-0.7%*	*-0.5%*	*-0.2%*	*-0.1%*	*0.0%*	*0.0%*
Nondurable Goods	111.9	113.1	113.6	113.7	114.1	114.7	115.3	116.0	116.8	117.5	118.3	119.0
% Ch	*5.4%*	*4.3%*	*1.9%*	*0.1%*	*1.6%*	*2.0%*	*2.2%*	*2.3%*	*2.7%*	*2.6%*	*2.6%*	*2.6%*
Services	123.5	124.3	125.2	126.0	126.9	127.7	128.6	129.4	130.3	131.3	132.3	133.2
% Ch	*3.1%*	*2.9%*	*2.6%*	*2.6%*	*2.9%*	*2.7%*	*2.7%*	*2.7%*	*2.9%*	*2.9%*	*3.0%*	*3.0%*
Cons. Price Index (1982-84)	170.1	171.7	172.8	173.5	174.6	175.6	176.7	177.7	178.8	180.0	181.1	182.3
% Ch	*4.0%*	*3.8%*	*2.6%*	*1.7%*	*2.4%*	*2.4%*	*2.4%*	*2.4%*	*2.5%*	*2.6%*	*2.6%*	*2.6%*
SELECTED INTEREST RATES												
Federal Funds	5.68%	6.25%	6.75%	6.75%	6.75%	6.75%	6.76%	6.76%	6.65%	6.50%	6.50%	6.35%
Prime	8.69%	9.25%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.65%	9.50%	9.50%	9.35%
New Home Mortgage	7.53%	8.09%	8.25%	8.31%	8.37%	8.41%	8.42%	8.41%	8.36%	8.28%	8.21%	8.13%
U.S. Govt. 3-Month Bills	5.52%	5.73%	6.07%	6.05%	6.03%	6.01%	6.00%	6.00%	5.94%	5.85%	5.87%	5.78%
SELECTED US PRODUCTION INDICES												
Lumber & Wood Products	121.1	120.9	120.5	120.2	120.2	119.3	119.1	117.7	117.5	118.0	118.2	118.9
% Ch	*1.8%*	*-0.8%*	*-1.2%*	*-0.9%*	*-0.2%*	*-2.9%*	*-0.5%*	*-4.9%*	*-0.4%*	*1.4%*	*0.9%*	*2.2%*
Office & Computer Equip.	1,323.3	1,425.4	1,525.0	1,619.9	1,713.1	1,806.5	1,901.0	1,999.3	2,099.6	2,202.6	2,307.6	2,413.6
% Ch	*37.8%*	*34.6%*	*31.0%*	*27.3%*	*25.1%*	*23.7%*	*22.6%*	*22.3%*	*21.6%*	*21.1%*	*20.5%*	*19.7%*
Electrical Machinery	456.6	479.6	488.0	495.3	500.1	505.9	512.9	521.4	529.1	538.9	549.4	560.5
% Ch	*40.9%*	*21.7%*	*7.2%*	*6.1%*	*3.9%*	*4.7%*	*5.6%*	*6.8%*	*6.0%*	*7.7%*	*8.0%*	*8.3%*
Electronic Components	1,501.7	1,642.9	1,720.4	1,795.5	1,858.9	1,927.7	2,005.7	2,092.4	2,176.1	2,269.8	2,368.3	2,470.8
% Ch	*79.1%*	*43.3%*	*20.2%*	*18.6%*	*14.9%*	*15.6%*	*17.2%*	*18.4%*	*17.0%*	*18.4%*	*18.5%*	*18.5%*
Food	110.5	111.0	111.6	112.0	112.4	113.0	113.3	113.6	114.1	114.5	114.8	115.0
% Ch	*1.3%*	*1.9%*	*2.3%*	*1.3%*	*1.5%*	*2.0%*	*1.1%*	*1.1%*	*1.6%*	*1.7%*	*1.1%*	*0.6%*
Paper	116.5	116.6	117.4	117.9	118.0	117.8	118.2	118.6	119.0	119.8	120.6	121.5
% Ch	*-4.9%*	*0.4%*	*3.0%*	*1.7%*	*0.0%*	*-0.5%*	*1.2%*	*1.6%*	*1.0%*	*2.8%*	*2.9%*	*2.8%*
Agricultural Chemicals	107.9	108.7	109.1	109.7	110.4	111.2	112.0	112.8	113.4	114.0	114.8	115.4
% Ch	*-12.9%*	*2.7%*	*1.6%*	*2.4%*	*2.3%*	*3.1%*	*2.9%*	*2.9%*	*2.1%*	*2.2%*	*2.7%*	*2.2%*
Metals & Minerals Mining	111.6	110.9	110.3	110.1	110.8	110.6	110.4	111.3	113.2	114.9	116.5	119.1
% Ch	*-3.0%*	*-2.3%*	*-2.0%*	*-0.7%*	*2.5%*	*-0.8%*	*-0.7%*	*3.3%*	*6.9%*	*6.3%*	*5.5%*	*9.3%*

National Variables Forecast by Standard and Poor's DRI
Forecast Begins the FIRST Quarter of 2000

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APPENDIX

THE DRI U.S. MACROECONOMIC MODEL

Standard and Poor's DRI Macroeconomic Model is a multiple-equation model of the U.S. economy. Consisting of over 1,200 equations, the model is solved iteratively to generate the results of different policy and forecast scenarios. The model incorporates the best insights of many theoretical schools of thought to depict the economic decision processes and interactions of households, businesses, and governments.

The DRI model is divided into the following eight major sectors:

I Private Domestic Spending
II Production and Income
III Taxes
IV International Transactions
V Financial
VI Inflation
VII Supply
VIII Expectations

I. **Private Domestic Spending**. Major aggregate demand components include consumption, investment, and government. Consumer purchases are divided among three categories: durable goods, nondurable goods, and services. In nearly all cases, real expenditures are influenced by real income and the relative price of consumer goods. Durable and semidurable goods are also sensitive to household net worth, current finance costs, and consumer sentiment.

DRI divides investment into two general categories: fixed investment and inventories. The former is driven by utilization rates, capital stock, relative prices, financial market conditions, financial balance sheet conditions, and government policies. Inventory investment is heavily influenced by such factors as past and present sales levels, vendor performance, and utilization rates.

The government sector is divided into federal government and state and local government. Most of the federal expenditure side is exogenous. Federal receipts are endogenous and divided into personal taxes, corporate taxes, indirect business taxes, and contributions for social insurance. State and local sector receipts depend primarily on federal grants and various tax rates and bases. State and local government spending is driven by legal requirements (i.e., balanced budgets), the level of federal grants (due to the matching requirements of many programs), population growth, and trend increases in personal income.

II. **Production and Income**. The industrial production sector includes 74 standard industrial classifications. Production is a function of various cyclical and trend variables and a generated output term, i.e., the input-output (I-O) relationship between the producing industry and both intermediate industries and final demand. The cyclical and trend variables correct for changes in I-O coefficients that are implied by the changing relationship between buyers and sellers.

Pre-tax income categories include private and government wages, corporate profits, interest rate, and entrepreneurial returns. Each of these categories, except corporate profits, is determined by some combination of wages, prices, interest rates, debt levels, capacity utilization rate, and

unemployment rate. Corporate profits are calculated as the residual of total national income less the non-profit components of income mentioned above.

III. **Taxes.** The model tracks personal, corporate, payroll, and excise taxes separately. Tax revenues are simultaneously forecast as the product of the rate and the associated pre-tax income components. The model automatically adjusts the effective average personal tax rate for variations in inflation and income per household, and the effective average corporate rate for credits earned on equipment, utility structures, and R&D. State taxes are fully endogenous, except for corporate profits and social insurance tax rates.

IV. **International.** The international sector can either add or divert strength from the central flow of domestic income and spending. Imports' ability to capture varying shares of domestic demand depends on the prices of foreign output, the U.S. exchange rate, and competing domestic prices. Exports' portion of domestic spending depends on similar variables and the level of world gross domestic product. The exchange rate itself responds to international differences in inflation, interest rates, trade deficits, and capital flows between the U.S. and its competitors. Investment income flows are also explicitly modeled.

V. **Financial.** The DRI model includes a highly detailed financial sector. Several short- and long-term interest rates are covered in this model, and they are the key output of this sector. The short-term rates depend upon the balance between the demand and supply of reserves in the banking system. The supply of reserves is the primary exogenous monetary policy lever within the model, reflecting the Federal Reserve's open market purchases or sales of Treasury securities. Longer-term interest rates are driven by shorter-term rates as well as factors affecting the slope of the yield curve. These factors include inflation expectations, government borrowing requirements, and corporate finance needs.

VI. **Inflation**. Inflation is modeled as a controlled, interactive process involving wages, prices, and market conditions. The principal domestic cost influences are labor compensation, nonfarm productivity, and foreign input costs that later are driven by the exchange rate, the price of oil, and foreign wholesale price inflation. This set of cost influences drives each of the industry-specific producer price indexes, in combination with a demand pressure indicator and appropriately weighted composites of the other producer price indexes.

VII. **Supply.** In this model, aggregate supply (or potential GNP), is estimated by a Cobb-Douglas production function that combines factor input growth and improvements to total factor productivity. Factor input equals a weighted average of labor, business fixed capital, and energy. Factor supplies are defined by estimates of the full employment labor force, the full employment capital stock net of pollution abatement equipment, the domestic production of petroleum and natural gas, and the stock of infrastructure. Total factor productivity depends upon the stock of research and development capital and trend technological change.

VIII. **Expectations.** Expectations impact several expenditure categories in the model, but the principal nuance relates to the entire spectrum of interest rates. Shifts in price expectations or the expected government capital needs influences are captured directly in this model through price expectations and budget deficit terms. The former impacts all interest rates and the latter impacts intermediate- and long-term rates. On the expenditure side, inflationary expectations impact consumption via consumer sentiment, while growth expectations affect business investment.

THE IDAHO ECONOMIC MODEL

The Idaho Economic Model (IEM) is an income and employment based model of Idaho's economy. The Model consists of a simultaneous system of linear regression equations, which are estimated using quarterly data. The primary exogenous variables are obtained from the DRI U.S. Macroeconomic Model. Endogenous variables are forecast at the statewide level of aggregation.

The focal point of the IEM is Idaho personal income, which is given by the identity:

personal income = wage and salary payments + other labor income + farm proprietors' income + nonfarm proprietors' income + property income + transfer payments - contributions for social insurance + residence adjustment.

With the exception of farm proprietors' income and wage and salary payments, each of the components of personal income is estimated stochastically by a single equation. Farm proprietors' income and wage and salary payments each comprise submodels containing a system of stochastic equations and identities.

The farm proprietor sector is estimated using a highly aggregated submodel consisting of equations for crop marketing receipts, livestock marketing receipts, production expenses, inventory changes, imputed rent income, corporate farm income, and government payments to farmers. Farm proprietors' income includes inventory changes and imputed rent, but this component is netted out of the tax base.

At the heart of the IEM is the wage and salary sector, which includes stochastic employment equations for 18 Standard Industrial Classification (SIC) employment categories. Conceptually, the employment equations are divided into basic and domestic activities. The basic employment equations are specified primarily as functions of national demand and supply variables. Domestic employment equations are specified primarily as functions of state-specific demand variables. Average annual wages are estimated for several broad employment categories and are combined with employment to arrive at aggregate wage and salary payments.

The demographic component of the model is used to forecast components of population change and housing starts. Resident population, births, and deaths are modeled stochastically. Net migration is calculated residually from the estimates for those variables. Housing starts are divided into single and multiple units. Each equation is functionally related to economic and population variables.

The output of the IEM (i.e., the forecast values of the endogenous variables) is determined by the parameters of the equations and the values of exogenous variables over the forecast period. The values of equation parameters are determined by the historic values of both the exogenous and endogenous variables. IEM equation parameters are estimated using the technique of ordinary least squares. Model equations are occasionally respecified in response to the dynamic nature of the Idaho and national economies. Parameter values for a particular equation (given the same specification) may change as a result of revisions in the historic data or a change in the time interval of the estimation. In general, parameter values should remain relatively constant over time, with changes reflecting changing structural relationships.

While the equation parameters are determined by structural relationships and remain relatively fixed, the forecast period exogenous variable values are more volatile determinants of the forecast values of endogenous variables. They are more often subject to change as expectations regarding future economic behavior change, and they are more likely to give rise to debate over appropriate values. As mentioned above, the forecast period values of exogenous variables are primarily obtained from DRI's U.S. Macroeconomic Model.

Since the output of the IEM depends in large part upon the output of the DRI model, an understanding of the DRI model, its input assumptions, and its output is useful in evaluating the results of the IEM's forecast. The assumptions and output of the DRI model are discussed in the National Forecast section.

IDAHO ECONOMIC MODEL EQUATIONS

ID0AHEMF:	ID0AHEMF= 3.19551 + 7.06095*ID0NEWMFD\1/ID0NEWMF\1*JRWSSNF + 9.61522*ID0NEWMFN\1/ID0NEWMF\1*JRWSSNF
ID0AVGW$:	ID0AVGW$=((ID0WBB$-ID0WBBF$-ID0WBBMIL$)/ID0NEW)*1000
ID0CRCROP:	ID0CRCROP= -2.05577 + 0.00425829*CRCROP + 3.06439*WPI01
ID0CRLVSTK:	ID0CRLVSTK= -1.62679 + 0.00876867*CRCATCVS + 2.54877*WPI01
ID0EXFP:	ID0EXFP= -2.21369 + 4.66591*WPI01
ID0GIA$:	ID0GIA$= 56.1364 + 854.023*VAIDGF@SL*ID0NPT/N
ID0HSPR:	ID0HSPR= ID0HSPRS1@A + ID0HSPRS2A@A
ID0HSPRS1@A:	ID0HSPRS1@A= -9.87518 - 0.451913* (RMMTGNNS-MOVAVG(5 TO 1,RMMTGNNS)) + 113.707* (MOVAVG(4 TO 1,ID0NPT)-MOVAVG(8 TO 5,ID0NPT)) + 0.0393479* ID0KHU\1
ID0HSPRS2A@A:	ID0HSPRS2A@A= 9.08036 + 46.8804* (MOVAVG(4 TO 1,ID0NPT)-MOVAVG(8 TO 5,ID0NPT)) - 0.330290* MOVAVG(3 TO 0,RMMTGNNS) - 0.0307492*TIME
ID0IPMFDNEC:	ID0IPMFDNEC= 13.0*JQIND25*100/81.2 + 52.5*JQIND37*100/81.2 + 15.7*JQIND39*100/81.2
ID0IP26&27:	ID0IP26&27=252.3*JQIND26*100/498.1 + 245.8*JQIND27*100/498.1
ID0IP32&34:	ID0IP32&34=58.8*JQIND32*100/206.9 + 148.1*JQIND34*100/206.9
ID0KHU:	ID0KHU= ID0KHU1 + ID0KHU2A
ID0KHU1:	ID0KHU1= ((1-0.003)**.25)*ID0KHU1\1 + ID0HSPRS1@A/4
ID0KHU2A:	ID0KHU2A= ((1-0.003)**.25)*ID0KHU2A\1 + ID0HSPRS2A@A/4
ID0NB:	ID0NB= 5.59084 + 34.9874*ID0NPT - 0.144184*TIME
ID0ND:	ID0ND= 0.219924 + 5.42120*ID0NPT + 0.0106125*TIME
ID0NEW:	ID0NEW= ID0NEWMF + ID0NEWNM
ID0NEWCC:	ID0NEWCC= -12.9208 + 0.0288915*ID0HSPRS1@A\1 + 0.134569*ID0HSPRS1@A\2 + 0.240247*ID0HSPRS1@A\3 + 30.345925*ID0HSPRS1@A\4 + 0.451603*ID0HSPRS1@A\5 + 0.557280*ID0HSPRS1@A\6 + 0.141883*TIME
ID0NEWFIR:	ID0NEWFIR= -2.61289 + 0.155336*MOVAVG(1 TO 0,ID0HSPR) + 25.8105*ID0NPT - 4.46668*DUM861ON - 3.32094*DUM981ON
ID0NEWGOOD:	ID0NEWGOOD=ID0NEWMF+ID0NEWMG+ID0NEWCC

ID0NEWGV: ID0NEWGV= ID0NEWGVF + ID0NEWGVSL

ID0NEWGVF: ID0NEWGVF= -0.871671 + 874.280*EGF*(ID0NPT/N) + 4.72135* EGF*(GFO92C/GF92C) - 0.00435896*TIME

ID0NEWGVSL: ID0NEWGVSL= ID0NEWGVSLED + ID0NEWGVSL@ED

ID0NEWGVSLED: ID0NEWGVSLED= -16.7743 + 87.7839*(ID0NPT*((N-N16&)/N)) + 0.408575*MOVAVG(8 TO 4,ID0YPTXB) + 0.159303*TIME

ID0NEWGVSL@ED: ID0NEWGVSL@ED= -16.0679 + 23.7751*ID0NPT + 0.129477*TIME

ID0NEWMF: ID0NEWMF= ID0NEWMFD + ID0NEWMFN

ID0NEWMFD: ID0NEWMFD= ID0NEW24 + ID0NEW32&34 + ID0NEW35&36 + ID0NEWMFDNEC

ID0NEWMFDNEC: ID0NEWMFDNEC= -3.87998 + 0.0735069*ID0IPMFDNEC

ID0NEWMFN: ID0NEWMFN= ID0NEW20 + ID0NEW26&27 + ID0NEW28 + ID0NEWMFNNEC

ID0NEWMFNNEC: ID0NEWMFNNEC= 0.192089 + 0.00295149*(CNCS92C + CNOO92C) - 0.180454*DUM87ON

ID0NEWMG: ID0NEWMG= ID0NEWMG@10 + ID0NEW10

ID0NEWMG@10: ID0NEWMG@10= 3.03115 + 0.790862*MOVAVG(2 TO 0,JQIND287) + 0.0495390*ID0HSPR + 0.0103994*JQIND333@9*TIME - 0.505426*JQIND33/EMI - 1.09149*JRWSSNF/WPI10 - 0.0184944*TIME

ID0NEWNGOOD: ID0NEWNGOOD= ID0NEWNM - ID0NEWMG - ID0NEWCC

ID0NEWNM: ID0NEWNM= ID0NEWCC + ID0NEWFIR + ID0NEWGV + ID0NEWSV + ID0NEWTCU + ID0NEWWR + ID0NEWMG

ID0NEWSV: ID0NEWSV= -54.0827 + 7.01185* MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC) + 0.116535*TIME

ID0NEWTCU: ID0NEWTCU= -0.578417 + 0.0181132*ID0NEW\1 + 11.2657*ID0NPT + 0.00974829*TIME

ID0NEWWR: ID0NEWWR= -11.5979 + 5.70282* MOVAVG(3 TO 0,YPADJ@ID)/MOVAVG(3 TO 0,PCWC) + 0.0849095*TIME

ID0NEW10: ID0NEW10= 3.53400 + 4.61287*JQIND333@9 - 1.14050* JQIND33/EMI - 5.98115*JRWSSNF/WPI10

ID0NEW20: ID0NEW20= ID0NEW20@203 + ID0NEW203

ID0NEW20@203: ID0NEW20@203= -8.29459 + 23.5104*JQIND20/E20 + 0.00140365* TIME

ID0NEW203: ID0NEW203= 3.51633 + 37.2570*JQIND201@7&9 - 22.6926* JQIND20/E20 - 0.0881935*TIME

ID0NEW24: ID0NEW24= 18.9418 + 7.39147*MOVAVG(1 TO 0,JQIND24) - 11.1039*JRWSSNF/WPI08 - 0.677641*DUM821ON - 0.0245540* TIME

ID0NEW26&27: ID0NEW26&27= -1.36077 + 0.0771945*MOVAVG(4 TO 1,ID0IP26&27) + 0.00263195*TIME

ID0NEW28: ID0NEW28= -0.496612 + 1.53225*MOVAVG(2 TO 1,JQIND287) + 0.900954*DUM841ON - 1.89804*DUM951ON + 0.0112164*TIME

ID0NEW32&34: ID0NEW32&34= -1.54465 + 0.0255594*MOVAVG(1 TO 0,ID0IP32&34) - 1.74176*JQIND34/E34 + 0.0572486* ((ID0NEW20\1+ID0NEW24\1+ID0NEWMG\1+ID0NEWCC\1+ ID0NEW26&27\1))

ID0NEW35: ID0NEW35= -5.37343 + 0.247570*JQIND357 - 1.39698*DUM861884 + 0.0728595*TIME

ID0NEW35&36: ID0NEW35&36= ID0NEW35 + ID0NEW36

ID0NEW36: ID0NEW36= -8.01340 + 0.728783*JQIND367 - 1.09840*DUM801884 + 0.0755707*TIME

ID0NMG: ID0NMG= 4*(ID0NPT-ID0NPT\1) - (ID0NB-ID0ND)/1000

ID0NPT: ID0NPT= -0.0806329 + 1.01315*ID0NPT\1 + 0.0704649* (ID0NEW\1/ID0NEW\5)/(EEA\1/EEA\5)

ID0WBB$: ID0WBB$= ID0WBBMF$ + ID0WBBOTH$ + ID0WBBCC$ + ID0WBBF$ + ID0WBBMIL$

ID0WBBCC$: ID0WBBCC$= (ID0WRWCC$*ID0NEWCC)/1000000

ID0WBBF$: ID0WBBF$= -0.481926 + 0.586428*WPI02

ID0WBBMF$: ID0WBBMF$= (ID0WRWMF$*ID0NEWMF)/1000000

ID0WBBMIL$: ID0WBBMIL$= 0.0283825 + 0.241784*(ID0NPT/N)*GFMLWSS@FAC

ID0WBBOTH$: ID0WBBOTH$= ID0WRWOTH$*(ID0NEW-ID0NEWCC-ID0NEWMF)/1000000

ID0WRWCC$: ID0WRWCC$= 8043.57 + 1595.11*ID0AHEMF

ID0WRWMF$: ID0WRWMF$= -13272.1 + 3672.50*ID0AHEMF

ID0WRWOTH$: ID0WRWOTH$= -6027.26 + 2301.68*ID0AHEMF

ID0YDIR$: ID0YDIR$= 0.103376 + 0.928675* ((YINTPER+DIV+YRENTADJ)* MOVAVG(4 TO 1,ID0YP$)/MOVAVG(4 TO 1,YP))

ID0YFC$: ID0YFC$= -0.137894 + 0.797492*ID0YFC$\1 + 0.144164*WPI01

ID0YINV&R$: ID0YINV&R$= -0.158554 + 0.781785*ID0YINV&R$\1 + 0.201802* WPI01

ID0YP: ID0YP= ID0YP$/PCWC

ID0YP$:	ID0YP$=ID0WBB$+ID0YSUP$+ID0YDIR$+ID0YPRNF$+ID0YPRF$ +ID0YTR$+ID0YRA$-ID0YSI$
ID0YPNF:	ID0YPNF= ID0YPNF$/PCWC
ID0YPNF$:	ID0YPNF$= ID0YP$-ID0YPRF$-ID0WBBF$
ID0YPNFPC:	ID0YPNFPC= ID0YPNF$/PCWC/ID0NPT
ID0YPRF$:	ID0YPRF$= 0.306169 + 328.498* (((ID0CRCROP+ID0CRLVSTK+ID0YTRF$+ID0YINV&R$-ID0YFC$-ID0EXFP)/1000))
ID0YPRNF$:	ID0YPRNF$= -0.233886 + 0.00554433*YENTNFADJ
ID0YPTXB:	ID0YPTXB= (ID0WBB$+ID0YPRNF$+ID0YDIR$+(ID0YPRF$-ID0YINV&R$/1000))/PCWC
ID0YRA$:	ID0YRA$= -0.0392254 + 0.0210900*ID0WBB$
ID0YSI$:	ID0YSI$= -0.0222785 + 1.14126*TWPER*ID0WBB$/WSD
ID0YSUP$:	ID0YSUP$= -0.0405168 + 1.02826*YOL*(ID0WBB$/WSD)
ID0YTR$:	ID0YTR$= 0.117974 + 0.786002*((VGF@PER+VGSL@PER)*(ID0NPT/N))
ID0YTRF$:	ID0YTRF$= 0.00974201 + 0.0129945*TRF$
YPADJ@ID:	YPADJ@ID=ID0YPNF$+MOVAVG(3 TO 0,ID0YPRF$) + MOVAVG(3 TO 0,ID0WBBF$)

ENDOGENOUS VARIABLES

ID0AHEMF	Average hourly earnings in manufacturing
ID0AVGW$	Average annual wage
ID0CRCROP	Cash receipts, crops, not seasonally adjusted
ID0CRLVSTK	Cash receipts, livestock, not seasonally adjusted
ID0EXFP	Farm production expenses
ID0GIA$	Federal grants-in-aid to Idaho governments
ID0HSPR	Housing starts, total
ID0HSPRS1@A	Adjusted housing starts, single units
ID0HSPRS2A@A	Adjusted housing starts, multiple units
ID0IP26&27	Industrial production index, paper, printing, and publishing, 1992=1.0
ID0IP32&34	Industrial production index, stone, clay, glass, and concrete products and fabricated metals, 1992=1.0
ID0IPMFDNEC	Industrial production index, other durable manufacturing, 1992=1.0
ID0KHU	Housing stock, total
ID0KHU1	Housing stock, single units
ID0KHU2A	Housing stock, multiple units
ID0NB	Number of births
ID0ND	Number of deaths
ID0NEW	Employment on nonagricultural payrolls, total
ID0NEW10	Employment in metal mining
ID0NEW20	Employment in food processing
ID0NEW20@203	Employment in food processing, except canned, cured, and frozen
ID0NEW203	Employment in food processing, canned, cured, and frozen
ID0NEW24	Employment in lumber and wood products
ID0NEW26&27	Employment in paper, printing, and publishing
ID0NEW28	Employment in chemicals and allied products
ID0NEW32&34	Employment in stone, clay, glass, and concrete products and fabricated metals
ID0NEW35	Employment in nonelectrical machinery
ID0NEW36	Employment in electrical machinery
ID0NEWCC	Employment in construction
ID0NEWFIR	Employment in finance, insurance, and real estate
ID0NEWGOOD	Employment in goods-producing sectors
ID0NEWGV	Employment in government
ID0NEWGVF	Employment in federal government
ID0NEWGVSL	Employment in state and local government
ID0NEWGVSL@ED	Employment in state and local government, except education
ID0NEWGVSLED	Employment in state and local government, education
ID0NEWMF	Employment in manufacturing
ID0NEWMFD	Employment in durable manufacturing
ID0NEWMFDNEC	Employment in other durable manufacturing
ID0NEWMFN	Employment in nondurable manufacturing
ID0NEWMFNNEC	Employment in other nondurable manufacturing
ID0NEWMG	Employment in mining
ID0NEWMG@10	Employment in mining, except metal mining
ID0NEWNGOOD	Employment in service-producing sectors
ID0NEWNM	Employment in nonmanufacturing

ID0NEWSV	Employment in services
ID0NEWTCU	Employment in communications, transportation, and public utilities
ID0NEWWR	Employment in trade
ID0NMG	Net in-migration of persons
ID0NPT	Resident population
ID0WBB$	Wage and salary disbursements
ID0WBBCC$	Wage and salary disbursements, construction
ID0WBBF$	Wage and salary disbursements, farm
ID0WBBMF$	Wage and salary disbursements, manufacturing
ID0WBBMIL$	Wage and salary disbursements, military
ID0WBBOTH$	Wage and salary disbursements, except farm, manufacturing, and construction
ID0WRWCC$	Average annual wage, construction
ID0WRWMF$	Average annual wage, manufacturing
ID0WRWOTH$	Average annual wage, except manufacturing, construction, and farm
ID0YDIR$	Dividend, interest, and rent income
ID0YFC$	Corporate farm income
ID0YINV&R$	Farm inventory value changes, imputed rent, and income
ID0YP	Total personal income, 1992 dollars
ID0YP$	Total personal income
ID0YPNF	Nonfarm personal income, 1992 dollars
ID0YPNF$	Nonfarm personal income
ID0YPNFPC	Per capita nonfarm income, 1992 dollars
ID0YPRF$	Net farm proprietors' income
ID0YPRNF$	Nonfarm proprietors' income
ID0YPTXB	Tax base, 1992 dollars
ID0YRA$	Residence adjustment, personal income
ID0YSI$	Contributions for social insurance
ID0YSUP$	Other labor income
ID0YTR$	Transfer payments to persons
ID0YTRF$	Government payments to Idaho farmers
YPADJ@ID	Adjusted total personal income

EXOGENOUS VARIABLES

CNCS92C	Personal consumption expenditures, clothing and shoes, 1992 dollars, chain weighted
CNFOOD92C	Personal consumption expenditures, food, 1992 dollars, chain weighted
CNOO92C	Personal consumption expenditures, other nondurable goods, 1992 dollars, chain weighted
CRCATCVS	Cash receipts, U.S. cattle and calves
CRCROP	Cash receipts, U.S. crops
DIV	Dividends
DUM801884 DUM821ON DUM841ON DUM861ON DUM861884 DUM871ON DUM951ON DUM981ON TIME	These are dummy variables used in regression equations for the purpose of capturing the impacts of discrete economic or noneconomic event such as SIC code changes, strikes, plant opening, or closures, unusual weather conditions, etc.
E20	Employment in food processing
E24	Employment in lumber and wood products
E26	Employment in paper and paper products
E27	Employment in printing and publishing
E28	Employment in chemicals
E32	Employment in stone, clay, and glass
E34	Employment in fabricated metals
E35	Employment in nonelectrical machinery
E36	Employment in electrical machinery
EEA	Total nonagricultural employment
EGF	Employment in federal government
EMD	Employment in durable manufacturing
EMI	Employment in mining
EMN	Employment in nondurable manufacturing
GFMLWSS@FAC	Federal government consumption of general government employment
GF92C	Federal government purchases, 1992 dollars, chain weighted
GFO92C	Federal government purchases, nondefense, 1992 dollars, chain weighted
JQIND20	Industrial production index, food products, 1992=1.0
JQIND201@7&9	Industrial production index, food except beverages, 1992=1.0
JQIND24	Industrial production index, wood and lumber products, 1992=1.0
JQIND25	Industrial production index, furniture and fixtures, 1992=1.0
JQIND26	Industrial production index, paper and paper products, 1992=1.0
JQIND27	Industrial production index, printing and publishing, 1992=1.0
JQIND287	Industrial production index, agricultural chemicals, 1992=1.0
JQIND32	Industrial production index, stone, clay, and glass products, 1992=1.0
JQIND33	Industrial production index, primary metals, 1992=1.0

JQIND333@9	Industrial production index, nonferrous metals, 1992=1.0
JQIND34	Industrial production index, fabricated metal products, 1992=1.0
JQIND357	Industrial production index, office and computing equipment, 1992=1.0
JQIND367	Industrial production index, electric components, 1992=1.0
JQIND37	Industrial production index, transportation equipment, 1992=1.0
JQIND39	Industrial production index, miscellaneous manufactures, 1992=1.0
JRWSSNF	Index of compensation per hour, nonfarm business sector, 1982=1.0
N	Population, U.S.
N16&	Population, U.S., aged 16 and older
PCWC	Implicit price deflator, personal consumption, 1992=1.0, chain weighted
RMMTGNNS	Effective conventional mortgage rate, new homes, combined lenders
TRF$	Government payments to U.S. farms
TWPER	Personal contributions for social insurance, U.S.
VAIDGF@SL	Federal grants-in-aid to state and local governments
VGF@PER	Federal transfer payments to persons, U.S.
VGSL@PER	State and local transfer payments to persons, U.S.
WPI01	Producer price index, farm products, 1982=1.0
WPI02	Producer price index, processed foods and feeds, 1982=1.0
WPI08	Producer price index, lumber and wood products, 1982=1.0
WPI10	Producer price index, metals and metal productss, 1982=1.0
WSD	Wage and salary disbursements
YENTNFADJ	Nonfarm proprietors' income (with inventory valuation and capital consumption adjustments)
YINTPER	Personal interest income
YOL	Other labor income, U.S.
YP	Personal income
YRENTADJ	Rental income of persons with capital consumption adjustment